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LEGAL SERVICES

Page 4

FOR MORE

REAL ESTATE

LONDON, TUESDAY, JULY 14, 1992

ESTABLISHED 1887

## Baby Boomers On Ticket but At Heart, Pure Establishment

By Maureen Dowd New York Times Service
WASHINGTON — The Age of Aquar-

ius has finally dawned in presidential poli-With the first baby boomer ticket, Bill

Clinton and Ai Gore hope to capture the

White House by projecting youth, energy and empathy for the values and issues that matter to their generation. The Republicans' riposte that the Democrats are just a matched pair of blowdried policy wonks who, as a Bush spokes-woman sniffs, "have been bellying up to

the Twinkie bar too much." "You get the feeling that you'd invite them over to watch a baseball game and they'd want to switch the channel to C-Span," said James Pinkerton, a Bush offi-cial.

Patrick Caddell, the Democratic consultant who has long preached the potential

This year may be the last TV sundown for political conventions. Page 3. A wife works hard to make it clear: No Co-Clinton presidency. Page 3.

in finding candidates who could mine the votes of those born in the baby boom from the end of World War II to the mid-1960s, said: "This wasn't quite what was in mind. It looks like the chess club took over,"

Also, if the many disaffected baby boomers drawn to the Perot challenge are fed up with insiders and pols of all stripes, Governor Clinton and Senator Gore may have a hard time camouflaging themselves as true outsiders.

Mr. Clinton has been massaging the Washington Establishment for years. And Mr. Gore, now the junior senator from Tennessee, was the son of another senator from Tennessee and grew up at a fancy hotel in Washington.

Despite the Clinton campaign's initial

fusillade of youthful, vigorous imagery shots of the Democratic partners jogging and pictures of healthy blond children the Clinton camp knows that generational

politics are tricky.
It can no longer be the Pat Caddell message of 'Our time has come,'" said James McCurry, a Clinton campaign adviser. "It has to be more carefully modu-lated and more complicated than the nobridled power of our generation to take back leadership."

Stan Greenberg, the Chaton poll-taker,

agreed that "it is not our intention to relive See TICKET, Page 3

## **Centrists Hold Center Stage** At Convention

By Thomas B. Edsall

Washington Past Service
NEW YORK — There is no blood on the ground and the tenor so far is remarkably peaceful, but the Democratic convention is a victory celebration in a sustained ideological war that has severely wounded the party for two decades.

On its face, the convention, which

opened Monday evening with speeches by

#### **NEWS ANALYSIS**

former President Jimmy Carter and the Reverend Jesse L. Jackson, among others, appears to follow Democratic tradition. Women make up half the delegates, and labor union members more than 25 percent; the convention is markedly more

liberal than the public at large.

But beneath the surface, a factional struggle between center and left has been won by the center.

Party leaders and moderates used Governor Bill Clinton's presidential campaign to mobilize their troops and dominate the convention. Before that, they found organizational and ideological direction in the Democratic Leadership Council, a Washington group financed largely by businesses with ties to the Democratic Party.

The ascendant centrists have wrested power from the party's liberal wing, led through much of the 1980s by, among others, Mr. Jackson. Their attack on the Jackson wing is based on a belief that various minority interests — blacks, homosexuals, unions, feminists - have dominated convenions and party platforms

See VICTORY, Page 3



Yitzhak Rabin waiting in parliament on Monday for the legislators to vote on his new government after he outlined its policies.

## Markets Wary of a German Rate Jump

Compiled by Our Staff From Dispatches
FRANKFURT — Fears that the Bundesbank will tighten monetary policy this week swept through the financial markets Monday, depressing the dollar and other eurrencies, even as the German central bank came under new pressure to

lower interest rates. German share prices dropped to their lowest close in two months on speculation about the Bundesbank; bond prices fell, the dollar lost nearly two pfennigs and the pound dropped to just above its European

Monetary System floor, (Page 10) After a meeting of European Community finance ministers in Brussels, Norman Lamont, Britain's chancellor of the Exchequer. said. "I hope that there won't be an increase in German rates later this

expressed around the table was the

The French finance minister, Michel Sapin, said all ministers at to the limit, may try to restore its the elosed-door talks bad agreed authority this week with at least a interest rates were too high. "It is subtle tightening of monetary polimy deep conviction that the cy. Private economists said the cen-Bundesbank is not out of touch tral bank was likely to act to rein in

need for an interest rate cut." 9.75 percent. Finance Minister Wim Kok of

the Netherlands said all EC economies were "in the hands of Frank-Germany's central bank, us antiinflationary credentials stretched

with reality," he said. "The reality rampant growth in money supply.

Germany's key Lombard emerency lending rate now stands at The Bundesbank's policy-mak-

ing council meets Thursday for a review of its 1992 target for growth in M-3 money supply, a measure of cash in circulation that provides a harometer of future inflationary trends. M-3 has been growing at twice the targeted rate for most of Horst Köhler, state secretary at

See RATES, Page 7

## Rabin Offers to Visit **Arab Capitals - Vows Not to Waste Time**

## First Labor Government in 15 Years Wins Easy Approval in the Knesset

By Clyde Haberman

New York Time Nettice

JERUSALEM — Yitzhak Rabin offered Monday to visit the capitals of Israel's traditional Arab enemies, pledging not to waste "precious time" in searching for Middle East

Presenting his government to the Knesset for approval, the prime minister appealed to Palestinians to take Israel's offers seriously and not lose this opportunity that may never return. The new Israeli parliament voted, 67 to 53, te accept the Rabin government, the first dominated by the Labor Party in 15 years.

The need for bold, swift strides toward peace - including his proposed exchange of visits with Arah leaders - formed the core of Mr.

Rabin's message. But his speech, studded with references to the Bible and Israeli poetry, was more than an outline for peace.

It was also a declaration that Israel had changed direction after 15 years of rightist government under the Likud, a clarion call that was time for the country to overcome its 'sense of isolation" and to stop thinking that the whole world is against us."

To underline his appeal for reconciliation in the Middle East, he invited Palestinian leaders and heads of neighboring Arab states to Jerusalem "for the purpose of talking peace."

He is prepared, Mr. Rabin emphasized, to go

immediately to Amman, Damascus and Beirut, In particular, the Labor leader asked the Palestinians, who officially negotiate in tandem with Jordan, to attend "an informal talk" in Jerusalem about the peace process.

Faisal Husseini, the Palestinian leader in East Jerusalem, said that in principle be was prepared to meet with Mr. Rabin, but said be wanted to study the speech before commenting on it at length.

It was not the first time that an Israeli leader had made such a gesture of proposing mutual visits by the longtime foes. But it had significance, nonetheless, in the

context of Mr. Rabin's commutment to speed up peace talks, with a focus on his calls for an agreement within nine months on Palestinian tonomy in Israeli-occupied territories.

Although he addressed himself to the Arahs in general, his target clearly was the Palestinians, for whom autonomy, or limited self-rule. is not a goal but merely a step toward statehood on lands that Israel has occupied since the 1967

The Israeli leader urged them, however, to take what he is offering, and he admonished the Arabs for "living under a delusion" for too long, guided by people who "have led you through lies and decent."

"Listen to us, if only this once," he urged. "We offer you the fairest and most viable pro-posal from our standpoint today; autonomy, with all its advantages and limitations.

"You will not get everything you want. Neither will we. So once and for all, take your destiny in your hands. Don't lose this opportunity that may never return. Take our proposal

For Israel's part, he said. "we do not intend to lose precious time" in reaching an autonomy

Mr. Rabin repeated his call for continuous session of talks instead of the on-again, offagain meetings that have characterized the American-engineered peace process since it began last October.

In fact, be scoffed at the very term "peace process," implying that under his immediate predecessor, Yitzhak Shamir, it was a triumph of appearance over substance.

"From now on, we shall not speak of a process but of making peace," he told parliament, Israel's 13th since the formation of the

On a crucial issue of immediate importance both to peace negotiations and Israel's relations with the United States, Mr. Rabin said little

See RABIN, Page 7

## Why Is Black Africa Overwhelmed While East Asia Overcomes?

By Keith B. Richburg

of Uganda is a thoughtful, analytical man who often takes on a professorial tone when discussing Africa's mynad problems. So be seemed uncharacteristically at a loss when asked at a recent press conference why African development has lagged so far behind that of East Asia, which suffered from a similar set of obstacles.

After offering several well-explored expla-

nations, he paused and admitted some besitancy to go further. Finally, he said what seemed most on his mind: "The discipline of Asians compared to Africans." People from East Asian countries, with scarce resources and large populations, may tend to be more disciplined than people who take life for granted," he said. Some Africans, he added, "have so much land that they don't know Ghana, meanwhile, has actually slid backwhat to do with it."

It is an explanation heard time and again to a question that fascinates and perplexes anyone who has spent time in both Africa and East Asia. Why has East Asia over the last two decades become a model of economic success, while Africa, since independence, has seen increasing poverty and hunger, and economies propped up by foreign aid? Is it largely a matter of discipline, as Mr. Museveni suggested, or are other factors at work?

In 1957, Ghana — one of the hright hopes of black Africa — had a higher gross national product than that of South Korea, then emerging from a devastating war. Now South

ward, its gross national product lower than at independence. What happened?

For four years, from 1986 until late 1990. I traveled throughout Southeast Asia as a correspondent, seeing the economic dynamism of a region that has been largely defined by growth and development. Some countries — Singapore. Malaysia and Indonesia emerged as Africa did from colonial tutelage. Singapore became independent as a tiny citystate with no natural resources. Indonesia and Malaysia at independence were as divided, along ethnic, religious and linguistic lines, as many African countries are today.

Yet from these uncertain beginnings, the

Southeast Asians have prospered. Average growth rates for the 1980s measured between 8 percent and 10 percent. They avoided the pitfall of heavy external debt, and they have successfully diversified away from reliance on single commodity exports.

There are, of course, examples in East Asia of countries not prospering, such as Cambodia, Vietnam and Laos - all of which opted for a communist path and were wracked by lengthy wars. And the Philippines, once the most prosperous country in East Asia, was ravaged by 20 years of authoritarian rule under Ferdinand E. Marcos.

Moving last year to sub-Saharan Africa, I found a continent in dismal disrepair. From the statistics and the background briefings, one expects to find Africa underdeveloped;

the surprise is how underdeveloped it is. It it of has most of the world's poorest nations. Its ebildren are the most likely to die before the age of 5. Its adults are the least likely to live beyond the age 50. Any Asia-Africa comparison must allow

for important differences. Although the two continents became independent at roughly the same time, they didn't begin the economic race at the same starting point. East Asian economies had a substantial head start: they had developed elaborate patterns of trade and development long before the European colonists arrived. The East Asians. in addinon to having started out ahead, have had a stronger push from the West. Nevertheless, Africa suffers in the compar-

See AFRICA, Page 6

## In Rubble of Bosnian City, A Bridge to Safety Stands

By Michael T. Kaufman New York Times Service

MOSTAR, Bosnia-Herzegovina - After three months of shooting, shelling, fire and siege, residents who had not yet fied congregated the other day around a remarkable 425-year old arched bridge, one that gave this city its life, its name and its prominence as a link between

Since April, when Serbian forces began an assault from the surrounding mountains, nearly 90,000 of Mostar's 120,000 people are thought to have fled as refugees. No one here could say how many have been killed. The city is rubble, but at its heart, the bridge over the Neretva

River still stands.
"Since April, every institution bere has been either destroyed or damaged," said Jadranko Topic, the mayor of Mostar. "The hospitals, the schools, the churches, mosques, hotels."

Mr. Topic, who in 1977 played professional soccer for the New York Cosmos, was dressed in combat fatigues and running his office from a basement behind sandbags.

"What we have endured was similar to what was happening in Sarajevo," he said, "except that we were lucky to have Croatia at our backs so we could get food and some supplies, and our people could leave."

Mostar is about 160 kilometers (100 miles)

southwest of Sarajevo. The area around the bridge, the old Muslim town, bore the bruni of the attack from the Serbs in the hills and in the eastern part of town. In the neighborhood, now uninhabited,

UN warms on flying aid into Sarajevo after three French aircraft are hit. Page 2.

fragmented minarets pointed through blocks of shattered houses, stores and cafes.
In the three weeks since Croatian and Muslim units were able to dislodge the Serbs, some refugees had started to return to the area. But now, as explosions sounded in the distance and word spread through nearby villages of re-newed fighting, the stream of people reversed

Once more, families lugging blankets, mattresses, dishes, pans, and sometimes goals and sheep, raced for the bridge, coming down from the hills and making their way through the See BRIDGE, Page 7



Sarajevo residents hurrying past a sign on Monday in the Bosnian capital that warned them to beware of a sniper in the vicinity.

#### Kiosk

#### **U.S. Bans Plutonium Production**

KENNEBUNKPORT, Maine (AP) - President George Bush pledged Monday to withhold production of plutonium and highly enriched uranium for weapons and announced efforts aimed at stopping the spread of nuclear arms.

. The United States actually has been unable to produce plutonium for several years because of mechanical breakdowns, and Mr. Bush's action makes the stoppage formal. He noted that the demand for nuclear weapons persists "and new suppliers of key technologies are

Americans' attitudes on sex ha-

rassment have shifted. Page 2 Crossword Weather



Page 2. Up In New York OM 1.4742
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By Steven Erlanger New York Times Service YALTA, Ukraine - This traditional resort of

commoners and Communist kings is too expensive these days for casual visitors, but for the go-go generation of new business executives, it's the place of choice for showing off, and sometimes for taking It's enough to drive an old Communist appara-

tchik crazy.

By day, it's miniskirts or the tightest of leggings in shimmering fabries, and by the pool, thong bikinis

with high heels and sunglasses. By night, at the crowded, noisy restaurants and new striptease shows, it's microscopic, metallie cocktail dresses, or metallic leggings with gauzy tops and lots of jewelry setting off invariably blond hair,

For men, it's Western athletic clothing like Nike

and Fila, or Western T-shirts, commonly with American themes: Stars and Stripes, baseball team logos. even one shirt made for "The Great American Smoke-Out" of 1990, worn, of course, by a fashionably slender chain smoker with slicked back hair.

All this display, in a period Marx would call "the stage of primitive capital accumulation," is particularly striking when so many citizens of the former Soviet Union are scurrying to put enough rubles together to buy food, much less find time for tennus.

But there are nouveaux riches in Russia and the other former Soviet republics who are rushing toward their notion of trendiness. There is no good information about their numbers or, indeed, their incomes, though Prayda, the old Communist paper that is not exactly a fan of the new class, said their monthly income goes up to \$0,000 rubles. The average Russian salary is about 3,500 rubles.

Ordinary Russians speak of them simply as "the wrote "The Gambler."

mafia." a term that can include anyone from a member of various crime gangs to what a Westerner would merely call a shrewd businessman.

Marx Might Say 'Primitive' but New Rich Live It Up in Yalta

"Am I rich?" A paunchy man in a Nike polo shirt rolled the question around his pink cheeks, "I suppose so, compared to others," he finally said.

And how had he become rich? He laughed. "Business." he said. "Commodities." And he would say little more, except that he and his wife were having "a well-deserved rest" of nearly three weeks, liberally lubricated with Georgian champagne and French

On vacation here, their headquarters is the 2,518bed Yalta Hotel, built in 1975 for foreign tour groups. It has restaurants and bars, tennis courts and a weight room, a huge, heated seawater pool, a hardcurrency casino, with equipment from Baden-Baden, the German resort town where Distoversky

The casino and a hard-currency bar offer Heineken on tap at \$3.

Alexander V. Podkopayev, the 34-year-old commercial director, said that with the collapse of the Soviet State Committee on Tourism, the labor collective of the hotel took over its management.

We pay the taxes and are essentially independent," he said. "We make policy, set the rates and arrange the contracts." Mr. Podkopayev said if all went well, the collective would buy the hotel outright from the state through a stock issue that may be open to foreigners,

The management has negotiated its own deals with foreign travel companies, especially in Germany. But 70 percent of the hotel's guests now are citizens of one of the 11 former Soviet republics making up the Commonwealth of Independent

Sec ('RIMEA, Page 7

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By Jane Gross New York Times Service

SAN FRANCISCO - Sexual harassment complaiots to the Equal Employment Opportunity Commission are up sharply. Congress and the White House have responded to allegations of sexual abuse ir. the military in ways that would have been unimaginable nine months ago. Employers are scurrying to hire sensitivity trainers to teach men how to treat women. And men are woodering how they failed to notice the anger of their female col-

This change in attitudes, experts of both sexes and all political persuasions agree, is a direct result of the oatiooally broadcast colloquium on sexual harassment last fall, the Senate confirmation hearings for Judge Clarence

Thomas's nomination in the Supreme Court.
While insufficient to deny Judge Thomas a seat on the court. Anita Hill's allegations of sexual harassment against her former boss marked a watershed in America's war between the sexes, a moment when men and women started to think about thiogs differently.

The one good thing to come out of the bearing is that everyhody — and I mean everybody — is more aware, said Senator Orrin G. Hatch, Republican of Utah, a member of the Senate Judiciary Committee, which conducted the hearings last October.

Ann F. Lewis, a Democratic political consultant, agreed. "It will never be a joke again," she said. "Both the scriousness of sexual harassment and its force as a political issue have been established - firmly established beyond snickers, giggles and questions.

The new boldness of women is clear in recent statistics from the Equal Employment Opportunity Commission, the U.S. agency that enforces employment-discrimination

The commission reports that sexual harassment charges filed in the first half of the 1992 fiscal year increased by more than 50 percent, to 4,754 complaints from 3,135 in the same period the year before. And other examples that women are no longer inclined

suffer in silence abound: At the School of Medicine at the University of California at San Francisco, the year-end parties for residents,

with standard bawdy skits and dirty jokes, drew com-plaints from female physicians for the first time. In Prince Georges County, Maryland, female public school students have filed as many reports of "inappropriate touching" in the first three months of 1992 as they did the entire year before.

The uneasiness among political leaders is manifest in their reaction to the recent scandal involving the manhandling of at least 26 women by a group of naval aviators at a

The head of the Democratic Revolutionary Party, Cuaultémoc Cárdenas, center, and Cristóbal Arias, second from right, on Monday celebrating Mr. Arias's victory.

Mexico Ruling Party All but Admits First Big Loss

151,700.

Monday by the PRI showed that with 1524 polling stations counted The Democratic Revolutionary

of a total of 3,095, PAN had

161,148 votes while the PRI had

PAN showed Mr. Barrio won 60

percent of the vote over the PRI

candidate, Jésus Macias, based on

returns from about 700 polling

A heavy turnout was reported

among Chihuahua's 1.2 million

registered voters. Observers said

there were many irregularioes, but they stopped short of calling it

In Michoacan, the state election

commission announced early Mon-day that with 23 percent of the

polling places counted, the PRI

candidate Edoardo Villasenor

Peña had 58 percent of the vote and

the opposition Democratic Revolu-

Results announced earlier by

convention in Las Vegas. It led to the resignation of the secretary of the navy and the reassignment of an admiral

who ignored the complaints of his aide. The scandal also led Congress to stall hundreds of U.S. Navy and Marine Corps promotions and eliminate 10,000 administrative jobs. And it persuaded President George Bush to forgo the traditional note of regret when he accepted the resignation of H. Lawrence Garrent 3rd, the former secretary, and to invite to the White House the admiral's aide, Lieutenant Paula Coughlin, who publicly described the terror of being pushed down a gantlet of

Some political observers say that, because of their egregiousness, the charges by military women have brought to boil the national dialogue that began at the confirmadoo hearings for Judge Thomas.

"This moves the debate way beyond, 'Does this mean I can't tell her she's pretty?" Ms. Lewis said. "The imagery of the gantlet is so violent, the abuse of power at the expense of vulnerable women so clear, that it leaves no

Roger Wilkins, a professor of hismry at George Mason University in Washington, said many men who had been unmoved by Professor Hill's testimony responded to the recent scandal. "They were speechless, profoundly



380,000 people have been under siege three months, prompted Secretary-General Butros Botros Ghali to ask the Security Council for a further 500 UN troops to secure the airport. The council immediately approved. Egypt, France and Ukraine are to send 1,500 troops to Sarajevo. The current UN relief contingent stands at 1,104 troops and civilians. France announced Monday that it was postponing sending nine mil-

Fierce fighting was reported to

Sarajevo radio reported fighting

The tension in Sarajevo, whose

**UN Warns** 

Of Risk in

Flying Aid

To Sarajevo

SARAJEVO, Bosnia-Herzegovi-

na - A UN official warned West-

ern governments on Monday of the

formed governments of the risks but added that all 17 scheduled

flights carrying 207 tons of food

landed Sunday and that 17 more

were expected Monday.

itary helicopters pledged to the UN in Sarajevo. It was unclear whether the postponement was linked to the shooting incidents. UN officials managed on Sun-

day to relieve briefly a 71-day siege of Dobrinja. They sent 12 trucks, guarded by UN armored cars and carrying more than 100 tons of food, through Serbian lines into the Food was getting through to 80 percent of Sarajevo residents,

though still oot on a daily basis, said Peter Kessler of the UN High Commissioner for Refugees. Outside Sarajevo, fighting was imabated. Serb troops claimed of Mexico's 31 states, the Demo-

some strategic victories in northern Bosnia and Herzegovina. The international community, led by the United States, said it was sending warships and aircraft to

the region to secure relief flights, hut backed off from military inter-Italian warships taking part in an international naval operation to enforce sanctions against Serbia last-minute changes in voter rolls in parts of Morelia, the state capital, and had changed the location of have begun interrogating freighters entering the Adriatic Sea, an Ital-

ian commander said on Monday. Admiral Achille Zanoni, commander of Italian naval forces in the Adriatic, was speaking as U.S. and European vessels steamed towards the regioo to support the patrol aimed at stepping up pres-

sure on Serbia. He said a French light frigate armed with Exocet missiles had on Monday joined the Italian frigate Espero and corvette Urania patrolling the Otranto Channel off southstern Italy at the mouth of the Adriatic.

The three ships are part of a Western European Union contin-gent which officials say will coordioate with an eight-ship NATO that they had voted on Sunday af-

ternoon to expel at least two for-In Bonn, a defense spokesman said German vessels would not join In the vote, Roman Catholic in the patrol until the governme priests cast ballots for the first time decided whether this was legal. A in 79 years, thanks to this year's cabinet meeting is set for Wednesreform of anti-clerical provisions of day. (AP, NYT)

The Associated Press DAYTON, Ohio — Trying in warn viewers of an expected storm, a television station here inadvertently broadcast a na-

tional emergency message in-WHIO, a CBS affiliate, intended to hroadcast a regional weather alert Sunday evening

on the Emergency Broadcast System, but mistakenly selected a tape from the files that signaled a national emergency, the station's general manager. David Lippoff, said Monday.

The message that was broadcast announced: "We interrupt at the request of the White House. This is the Emergency Broadcast System. All normal broadcasting has

The station was inundated with calls, including some from military personnel in-

apology to its viewers.

WORLD BRIEFS

**Ex-UN Chief Cautions Critics of China** HONG KONG (AFP) — Reports of human rights violations in China have been "grossly exaggerated," the former United Nations secretary-general, Javier Pérez de Cuéllar, said Monday.

As a lawyer, Mr. Pérez de Cuéllar said, "I must act on the basis of puidence." He added: "I don't think there is enough suidence was a revidence."

evidence." He added: "I don't think there is enough evidence which would allow us to say that in China there is a tremendous violation of

On the military crackdown on unarmed democracy protesters in human rights." Beijing on June 4, 1989, he said he had "no evidence to tell you sincerely" beiling on June 4, 1707, he said he had no evidence to ten you sinterely that hundreds of people were killed. "I've been trying to get evidence, but

Asbestos Case Jury Finds Negligence dangers of flying aid into this capi-tal after three French relief planes

BALTIMORE (AP) — A jury found six companies negligent Monday, in the largest consolidation of asbestos personal injury claims in the were hit by small-arms fire as they were landing at the airport.

Major General Lewis MacKenzie, the United Nations command-The companies are GAF Corp., Keene Corp., Pittsburgh Coming. Corp., AC&S Inc., MCIC, and Porter-Hayden Co. Several other compaer in Sarajevo, said he had in-

The trial consolidated nearly 8,555 asbestos claims in Maryland and nies settled with plaintiffs. was closely watched as part of an attempt to whittle down a nationwile backlog of asbestos claims. The jury will now determine what damages to award. Inhaling asbestos fibers could cause fatal respiratory atments.

Old Wound May Be Irritating Pope

ROME (AP) — Doctors found Pope John Paul II to have "modes swelling of the abdomen Monday as they investigated an intestinal problem that could be related to the shooting of him 11 years ago, it was too early to make a diagnosis, said Dr. Corrado Manni, chief anesthesiologist at Gemelli Clinic. Diagnostic tests were begun Monday morning at the Gemelli Clinic, the same Catholic hospital where the Pope had been rushed for surgery after by a Turkish gamman shot him in the abdomen in St. Peter's Square on May 13, 1981.

The Vatican spokesman, Joaquin Navarro Valls, said no details on the

condition of the Pope, who is 72, were expected until the tests were completed, probably Tuesday. The tests were to include a CAT scan, a

Iraq Persists in Barring UN Team

BAGHDAD (NYT) — The confrontation between Iraq and the United Nations Security Council deepened Monday when Iraq again refused to allow UN inspectors to search the Agriculture Ministry for secret military plans. The Iraqi refusal came after the Security Council discussed the quarrel in New York but took no new action. A senior UN official later said that the standoff continued.

A team of UN inspectors has been waiting in air-conditioned cars outside the ministry for nine days demanding permission to enter. UN officials say they have received an intelligence tip-off that plans related to Iraq's ballistic missile program have been hidden there.

Writer of Ex-East Germany Assaulted

COLOGNE (Combined Dispatches) — Stefan Heym, 79, a writer from the former East Germany, was beaten up in a hotel restaurant here apparently because he was a co-founder of a "civil rights" movement for people from the East in a reunified Germany.

A Cologne police spokesman said that Mr. Heym, whose novels had been barned by the East German Communist government, suffered minor injuries to the face. The assailant, the police said, was a former East German citizen who

had emigrated to the United States and lived in Los Angeles for manyyears. The man, whose name was not made public, was said Monday to be on his way back to the United States. The assault took place Sunday

For the Record

The Weather

North America

The trial of Algeria's top Muslim fundamentalist leaders was adjourned. on Monday for 24 hours to allow Prime Minister Sid Ahmed Ghozali to be called as a witness, the official press agency APS reported. (Rinters)
Foreign Secretary Douglas Hurd of Britain and Deputy Foreign
Minister Stang Enzhu of China discussed financing of the new Hong
Kong airport on Monday, the Foreign Office said, in a meeting it called

## TRAVEL UPDATE

## Russia Mandates Travel Insurance

MOSCOW (AFP) - President Boris N. Yeltsin of Russia signed a decree on Monday establishing mandatory insurance for travelers, Itar-

For a fee of five rubles (4 cents) on tickets costing more than 200 rubles, travelers in Russia will be eligible for compensation amounting to about \$720 in case of accident or death. The insurance covers travel in buses,

rains, boats and planes. Singapore and Laos will allow their airlines to operate three flights a week between Singapore and Vientiane, the Civil Aviation Authority of Singapore said Monday. It said SilkAir of Singapore planned to start flights to Vientiane next year, and Lao Aviation could begin operations to

Singapore in the near future.

Hundreds of air travelers were stranded in Guatemala City after travelers. controllers took part Monday in a one-day general strike by government workers. Controllers diverted international flights to El Salvador. Union leaders said 85 percent of public hospital, electricity, transport, communications and other workers were on strike for higher wages. (Reuters)



had claimed that the governing

party, known as PRI, cheated him

Mario Tarango Ramirez, the

PRI's leader in Chihuahua, said

that the results from the vote in

"If the tendency persists, we ac-

We would look bad to nitpick

In the gubernatorial election in

Michoacan, the PRI was leading in

early official returns. But the oppo-

sition accused the PRI of wide-

More official results in Chihua-

hua, which borders Texas and New

Mexico, were expected later Mon-

day, with final results Wednesday.

Unofficial results announced early

and fig't: for something we didn't

Chihuahua state "don't favor us."

of victory six years ago.

he said.

date, Francisco Barrio. Mr. Barrio with 1,524 polling stations couoted

" Compiled by Our Staff From Dispatches

CHIHUAHUA, Mexico - The

coverning party all but admitted defeat Monday in gubernatorial elections for Chihuahua, Mexico's

largest and ricbest state. The loss

would be one of the few setbacks in

the Institutional Revolutionary

Party's 63-year domination of

The voting Sunday in Chihua-

hua, in the north, and in the Pacific

state of Michoacan, was viewed as

a gauge of President Carlos Salinas

de Gortari's commitment in loosen

the grip of his party over the coun-

Supporters of the main opposi-

tion party, the National Action

Party, known by its Spanish acronym PAN, filled the streets of Chi-

huahua City overnight, celehrating

the apparent victory of their candi-

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هكذامن الأحيل

## Deng Yingchao Dies, Zhou Enlai's Widow

BEIJING — Deng Yingchao, 88, the widow of former Prime Minister Zhou Enlai and an influential figure in China's aging Communist elite, died Saturday, the official Xinhua press agency reported. A member of the Politburo from

Party, led by Cuauntemoc Car

oas, the soo of a former president,

immediately accused the PRI and

the government of widespread

"This is oot a clean process," the

party's chief spokesman, Ricardo Pascoe, said Sunday. "It is full of

an enormous amount of irregular-

Michoacan was Mr. Cardenas' stronghold in his 1988 bid for the

presidency, which represented the strongest national opposition chal-

lenge to the PRI. Many people be-

lieve that Mr. Cardenas was de-

prived of the presidency by fraud.

An opposition victory in either state would be only the second out-

right state victory by an opposition

party since a precursor of the PRI

was founded more than 60 years

A PAN candidate was chosen

governor of Northern Baja Califor-

nia in 1991. The party was also

given interim control of the state of

allowing Mr. Salinas in win.

1978 to 1985, Mrs. Deng retained an influential voice in China's ruling councils even after her formal retirement in 1988.

Mrs. Deng and Mr. Zhou adopted the present prime minister. Li Peng, when his parents were killed during China's civil war. Mrs. Deng's power and influence

arose not only from her marriage to Mr. Zhou but also because she was one of only about 50 women to March of 1934 and '35. In that epic series of running battles, the Communist Party leadership and its army held off Nationalist forces Sheares, 58, a former national exuntil it reached a haven in Yenan, ecutive and nationally known leadin China's rugged north. From er of the United Church of Christ, there, the Communists went on to after a heart attack Sunday in Chiwin the revolution in 1949.

Mrs. Deng met Mr. Zhou wben they were leading activists in the of the French avia coastal city of Tianjin during the famous May 4th Movement of Paris on Sunday.

1919. That student-led protest was an important event in the Communist Chinese revolucion. The couple married in 1925, the year she joined the Communist

craoc Revolutionary Party ran a

leftist firebrand, Cristóbal Arias,

who promised to help the poor and

small farmers, against Mr. Villa-senor, who said he would reactivate

the state economy by stimulating

Democratic Revolutionary Party

said that the government had made

polling places in areas of opposi-

In the city of Uruapan, Mr. Pas-

coe said, at least five of the party's

poll watchers had been pressured

by the state police to leave their

posts; in Zitacuaro, party workers had found a packet of credentials

without addresses that were pre-

umably to be used to cast fraudu-

lent votes; and in the city of Lazaro

Cárdenas, six government employ-

ees were found on Saturday with

Officials of the State Electoral

Commission in Michoacán would

not comment immediately, either on those accusadons or on reports

cootraband election materials.

eign observers from the state.

oon support.

In Michoacan, Mr. Pascoe of the

Party. Mr. Zhou died in 1976. Mrs. Deng remained a committed party member all her life, succeeding, like her husband, in maoeuvering through all of its factional struggles without being fatally embroiled. (AP, LAT)

Other deaths:

Sir Basil Smallpeice, 85, who headed the British airline BOAC and the Cunard shipping company, of heart failure in Epsom.

Anette Fischer, 46, a senior official of Amnesty International, and complete the 6,000-mile Long her busband, Karl, in a car crash oear Florence on Saturday while returning home to Denmark. The Reverend Renben A.

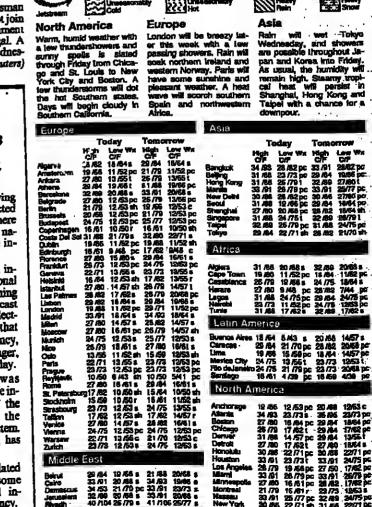
Madeleine Dassault, 91, widow of the French aviation pioneer and business leader Marcel Dassault, in

#### Weather Alert On TV Creates Its Own Storm

been discontinued."

quiring about the emergency.

Mr. Lippoff said the station immediately corrected the mistake and later broadcast an



Guanajuato after the government forced the PRI candidate to step down amid charges of fraud. Chihuahna and Michoacan represent almost opposite poles of Mexican reality. Chihoshua has long prided itself on its economie vigor and political independence. The two gubernatorial candidates, both former mayors of Ciudad Juárez, do oot hold radically different positions.

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took place Sunday (Reuters, AP)

Ahmed Ghozali to

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Team

A Guy Named Michael Now Teaches in Boston

BOSTON - What is Michael S. Dukakis doing these days? "Mike Dukakis is growing tomatoes, of course," the 1988 Democratic presidential candidate said, gently mocking his once well-chronicled

penchant for gardening

As Mr. Dukakis spoke, he was sitting in his cramped office on the campus of Northeastern University. With his opponent of four years ago, George Bush, in the White House, Mr. Dukakis teaches political science at this working-class institution, which is overshadowed by its neighbor, Harvard. He shares two secretaries with 24 other

The former governor of Massachusetts, 58, still looks as he did in 1988. His book-lined study overlooks a parking lot on the edge of Rozbury, a poor and predominantly black section of Boston. And he has traded his dark suits for standard academic garb: rumpled

chinos, sneakers and an open-necked shirt.

Despree his rapid fall from grace—he and his wife, Kitty, arrive at the Democratic convention Wednesday and only have a ceremonial role—Mr. Dukakis retains much of his characteristic optimism. "Bill Clinton will be a terrific candidate," be said, adding the further prediction that the Arkansas governor will win the election in

#### Brown Backers Break Up Talk by Mrs. Clinton

NEW YORK - Backers of Edmund G. (Jerry) Brown interrupted Hillary Clinton on Monday with chants of "Let Jerry speak!" as she appealed for party unity in an appearance before the California

delegation.
"I've never known Jerry not to speak when he's wanted to speak." Mrs. Clinton, the wife of the Democratic nominee, responded, winning a mix of appliause and catcalls. "He's always speaking, as far

The former California governor has tied an endorsement of Mr Clinton to securing party support for such things as raising the minimum wage and a \$100 limit on campaign donations. Meanwhile, Clinton forces have refused to schedule a Brown speech unless. Mr. Brown endorses the Arkansas governor.

#### A Man Who 'Survived Ali His Weeknesses'

NEW YORK -- Although Democrats are ready to embrace Bill Clinton as their nominee, worries about the character issue linger even among his most faithful supporters.

Many convention delegates said that they remained troubled by

Mr. Clinton's avoidance of the draft and the allegations of marital infidelity — and the potential fallout from all this in the general

"I believe that voters in the back of their minds will still recall his alleged affair as his big weakness," said Ida Ford, a delegate from Missouri. "That's how voters will see him, and I think that's a

But delegates gave Mr. Clinton high marks for intelligence, for grasp of domestic issues and for choosing Al Gore as his running mate. "One of his greatest strengths is that be has survived all of his weaknesses," said Dominic Baranello, a party leader from Long Island, New York.



TIRING PRACTICE: Senator Bill Bradley of New Jersey, the keynote speaker for the Democratic convention, after two hours of sound-level practice at Madison Square Garden.

#### Quote-Unquote

Sheffield Nelson, the Arkansas Republican chairman, on his former friend, Bill Clinton: "He's an abuser of people and an abuser of power. The guy abused his office and proved that he's not worthy of being governor, much less president."

(AP)

Bill Clinton: "When you've been around as long as I've been, you're going to make some enemies."

#### **Away From the Hustings**

Deborah Gore Dean, a former federal housing official, pleaded not guilty in a federal court in Washington on Monday to charges of conspiring to steer housing funds to well-connected developers and lying about it to Congress. No trial date has been set.

The U.S. Food and Drug Administration announced approval of a laboratory-made protein as the first treatment for chronic hepatius B. The protein, known as interferon alfa-2b, is made by Schering-Plough Corp. and will be marketed under the trade name intron A. Insects are seriously damaging vineyards in Sonoma and Napa counties, California's prime wine-producing region, and it will take a decade for grape production to equal last year's record tonnage, a

wine industry accounting firm said. • A federal judge in Washington, angered by delays in the review of classified documents by intelligence agencies, threatened Monday to punish prosecutors in the trial of Clair E. George, a former CIA official, on charges of covering up the Reagan administration's secret contra arms network. "I want some public accountability for who's trying to thwart this trial from going forward," U.S. District

Judge Royce Lamberth said. A resh of chain-reaction accidents during a rare summer rainstorm in Los Angeles left seven dead and dozens injured, authorities said. In one of the incidents, a truck hauling 2,000 pounds of fish skidded and overturned on a highway about 35 miles east of downtown. Seven vehicles slammed into the truck and one person was killed.

• A train carrying 2,000 tons of gariage from New York City headed back East after being booted out of three Midwestern states, authorities and the state of the ties said. The train, which bad been traveling for at least two weeks, left Medill, Missouri, over the weekend. A spokesman for the hauling company said that a home had been found for the trash, "but I don't think it would be prudent to disclose the final destination." AP, UPI

## Last TV Sundown For Conventions? '92 Could Be It

By Elizabeth Kolbert New York Times Service NEW YORK — A message to

viewers of the Democratic National Convention: Wateb carefully. This may be the last chance you

Predictable, plodding, often even soporific, the last few party con-ventions have attracted so few viewers that this summer they will receive less network television coverage than ever before. Four years from now, some network news executives say, the conventions might not be broadcast live at all.

And since the primary reason for holding a convention is to attract television cameras, some party ufficials are predicting that this will be the last of the conventions as Americans have known them.

"Io the future, I think the Democrats wilt have a different kind of convention, and I think the Republicans will have a different kind of convention," said John Marino, chairman of the New York State Democratic Party. "You have to get yourself in syne with what's happening with the people, with what's happening with the media. Here you've got the networks in sync with the people; they're telling

the party something."

For years, one of the things "the people" have been telling the party is that they are no longer interested in watching fuur days of speechifying against a red, white and blue background.

In response to low audience ratings, the amount of time the oet-works have been devoting to the conventions has been dropping. In 1980 the networks preempted all of prime time to show the proceedings on the floor. By 1988 they had cut their prime-time broadcasts to two hours each convention night. This year the networks are planning to cut their live broadcasts of the convention almost in half again, with only an hour to an hour and a half By 1996 even this may not sur-

vive. "It's not impossible to imagine that there will be nights where there wun't be any live coverage," a

Loath to lose the cametas, the parties have often tried to extend the broadcasts through tricks of scheduling. In 1984, for example, the Democrats delayed the appearance of the Reverend Jesse L. Jack-son one night; ABC became so impatient with the delay that it cut from the convection to a dramatic

Many Democratic Party officials say they believe that the networks will not hold to their plans and that in the end the threatened cuts will not materialize. As Ronald H. Brown, the Democratic national chairman, said about the cuts: "Every four years you hear about them, and theo when you look at it the coverage hasn't been significantly reduced."

But others say the days when the networks could be counted on to come through for the two major parties are gone.

There is a longing to our society for a collective experience of the three networks doing the same thing at the same time," said Brian Lamb, chief executive of C-Span, the public affairs network. "Well, that's over."

Anticipating the difficulty of attracting networks this year, some party officials proposed as early as two years ago that conventions be cut from four nights to three. And party leaders asked each of the networks to invite the candidates for an hour of prime-time discussion. The proposals, from the Commission on National Political Conventions, went nowhere. We never heard a sound" from

the networks, said Frank Fahrenkopf It., chairman of the commission and a former Republican national chairman.

Now, though, some party offi-cials are predicting that the 1996 conventions will be reduced to three or even two nights.



Hillary Clinton after an interfaith service in New York for her major activity these days, the Children's Defense Fund.

## Twice-Learned Lesson: No Co-Clintons

By Alessandra Stanley

New York Times Service
LITTLE ROCK, Arkansas — A high school student in Conway, Arkansas, asked Hillary Clinton a question that has bedeviled her husband's presidential campaign for months. He wanted to know what her role would be in a Clinton administration.

Mrs. Clinton's answer was a preview of the kind of performance she intends to give at the Democratic convention. "I want to be a voice for children in the White House," she said.

"A voice for children," a first lady-like phrase that Mrs. Clinton has used increasingly of late, sounds as worthy and unobjection-able as Nancy Reagan's "just say oo" campaign against drugs ot Barbara Bush's literacy projects.

The label is well suited to Mrs. Clinton's experience as a longtime advocate of children's rights, but it is also carefully tailored to

match voters' expectations of what is appropriate work for a president's wife.

After a series of gaffes that made her a

lightning rod for erities, Mrs. Clinton retreated from the national stage after the New York primary. She returns to the floodlights of Madison Square Garden with her public persona fine-tuned.

She is as corny as Kansas in August as she discusses recipes, child-rearing and the Fourth of July. The Clintons no looger talk, even jokingly, of having Mrs. Clinton serve in the cabinet.

The couple's early "buy-one-get-one-free" pproach soured when voters began viewing Mrs. Clinton as a hardbeaded careerist who dominated her mate and seemed contemptuous of ordinary housewives. Ruefully, she acknowledged she had learned, the hard way, that Americans seem to believe that "choices are O.K. for everybody except the president's

Though some voters say they like ber precisely because she is a modern role model, so many others have been put off by her assertiveness that she has begun favoring ber soft-

It is not the first time Mrs. Clinton, who comes from the suburbs of Chicago, has felt the need to adjust her image. When her bus-band first can for office, Arkansas voters seemed put off hy her high-powered Yale Law School credentials, clipped Northern accent and her hippie wardrobe.

Mrs. Clinton frosted her hair, traded her glasses for contact lenses and stretched out her vowels. She stopped using her maiden name, Rodham, and took on her husband's.

Spouses who have their own careers is a problem that has been worked out at every level of polines except the presidential level," she said, "but this is the second time I have been through something like this."

## Loyalty Oath Affair Highlights Tensions in Perot Campaign

By Michael Isikoff Washington Post Service

WASHINGTON - Ross Perot's campaign organization has confirmed that it asked electors running on Perot tickets to sign notarized oaths pledging their loyalty to the Texas billionaire and their commitment to vote for him in the Electoral Col-

a campaign spokeswoman for the likely independent presidential candidate had paign. Moreover, the distribution of the oaths, which have been strongly criticized by some Perot electors, underscored grow-

unteers and the campaign hierarchy in Dal-

las.
Elizabeth Maas, a campaign spokeswoman, defended the oaths on Sunday, saying they were necessary to ensure that electors would maintain their support for Mr. Perot if he won a plurality of votes within a state.

Voters who cast ballots for a president The statement came only two days after a campaign spokeswoman for the likely independent presidential candidate had described reports of the oaths as "absurd" states there is no legal requirement that — a mistake that appears to highlight continued disorganization within the campaign officials and described the people are." Mr. Fridrich who beads the Perot campaign in Tennessee, said Sanday that the people get me on the ballot."

Steve Fridrich, who beads the Perot campaign in Tennessee, said Sanday that the people get me on the ballot."

The Demonstria and Demonstria a The statement came only two days after actually are selecting electors pledged to

ing tensions between grass-roots Perot vol- to find its electors among volunteers, many

of them with no prior ties to Mr. Perot and "no history of support for him," Ms. Maas

Other Perot aides said the campaign was increasingly concerned about many of its volunteers, fearing that some who have signed up as electors might prove ultimateuncontrollable or might even be Repub-

But Ms. Maas confirmed that the oaths. along with undated letters of resignation that electors were also asked to sign, had

"upset" a number of volunteers and elec- was one of Mr. Perot's earliest and most tors. In recent weeks, there have been con-vocal backers, said that Mr. Perot had paign hierarchy and Perot volunteers.

"The people in Dallas are used to a publicized his appearance. of them have military backgrounds," said Republican consultant hired to serve as co-

tinued reports of clashes between the cam- personally accepted his invitation to be the keynote speaker and that the group had command-and-control structure and a lot But last month, Ed Rollins, the veteran

Kevin Laughlin, a Perot worker from St. manager of the Perot campaign, suggested Louis. "When I signed up, I didn't sign up that Mr. Perot might not appear and that

group dedicated to temoving all congressional incumbeots.

Jack Gargan, a retired Tampa businessum who is active in the group and who

#### A Running Mate For Perot? Wilder Won't Rule It Out

Washington Post Service

NEW YORK - Governor L. Douglas Wilder of Virginia has doclined to dampen reports that he is being considered as a running mate by Ross Perot, the undeclared presidential candidate.

"You can't reject something that basn't been offered," Mr. Wilder, a Democrat, said before the opening of his party's coovention.

The governor, the top elected black official in the nation, has not endorsed Governor Bill Clinton of Arkansas, the Democratic candidate, and elearly enjoys the speculation that be might bolt the party and join the Perot campaign. Mr. Perot offended some blacks over the weekend when he referred to them as "you people."

But Mr. Wilder said he had oot been approached by anyone con-nected with the Perot campaign and that neither he our any of his staff members had approached Mr.

(Continued from page 1)

since the late 1960s in a way that bas alienated middle-class voters.

oners of every weird special interest

that could exist on the face of the

earth, and the party was dictated to by these people," said John Droney, a Clinton supporter from Connecticut. "We did not look like

the party of everyday working peo-

pie, people trying to get ahead and send their kids to college. Now it's our turn to take a crack at running

the country and creating something

The success of the takeover by

party moderates is best reflected in

the fact that both Mr. Clinton and

his running mate, Senator Al Gore

of Tennessee, are founding mem-

bers of the Democratic Leadership

In a sharply worded criticism of

developments, Mr. Jackson's Rain-

how Coalition recently issued its

own 1992 platform, which declared

on the last page: "In the middle of

a national economic crisis, we have

three conservative candidates run-

ning for president," lumping Mr.

Clinton with President George

a little better for our children."

"For 23 years we bave been pris-

TICKET: Is It Time for Presidential Baby Boomers?

the generation's experiences or to claim the government for a genera-

"It's a much more nebulous no-Gore ticket that it invites people looking for change to turn to the Democrats."

The Democrats will try to capture the imagination of aging baby baby boomers have not voted boomers by promising to make the bloc, and they have not been do country better for their children to polincians their own age. and by emphasizing that they are Mr. Gore learned that the hard closer to that generation's more lib-way in 1988. He often began

cation and the environment.

VICTORY: Centrists Take Over Center Stage

sequences for the setting of party

At the zenith of liberal control,

in 1972, the platform declared that

welfare rights organizations must

be recognized as representative of

welfare recipients" and demanded

expanded rights for imprisoned

This year, in contrast, the pro-

posed Democratic platform calls

for "greater individual responsibil-

ity" in return for a government that provides opportunity. It describes business as "a noble endeavor" and

would require welfare recipients

who can work to go to work within

Mr. Jackson is the major loser in

this struggle. A goal of the centrists

is to repudiate his strategy of build-ing a Democratic Party that has at

its core the victims of economic

change, discrimination and urban

Al From, executive director of

the Democratic Leadership Coun-

cil and an adversary of Mr. Jack-son's described events in 1992 as a

the real concerns of ordinary it."

and Mr. Gore offers a blurb on the cover saying "Generations' is the most stimulating book on American history I have ever read."

From 1972, when George Mc-Govern ran against the Vietnam War, to 1988, when Mr. Bush tion that these are difficult times War, to 1988, when Mr. Bush that oeed new leaders, he said.

"And the age contrast is so stark choose a running mate with a peach between Bush and the Clinton-fuzz glow, politicians have chased fuzz glow, politicians have chased the bloc of 70 million voters born in the baby boom.

To a large extent, it has been a fruitless courtship. The finieky baby boomers have not voted as a bloc, and they have not been drawn Mr. Gore learned that the hard

ertarian leanings on social issues speeches in his presidential quest and its greater concern about edu- by observing that in 1960 voters chose the youngest man ever elect-The whole boomer generation ed to succeed the oldest, and that in has one very central shared value 1988 they could do exactly the — they want the next generation of same thing. But, unlike John F. small children to do better," says Kennedy following Dwight D. Ei-Wilbam Strauss, a co-author with senhower, Mr. Gore was not em-Neil Howe of "Generations," a braced by his peers. In the Super book about recurring cycles of gen- Tuesday primaries, he ran 10 erational patterns in U.S. history.

Mr. Clinton read "Generations" own age group than he did with on the campaign plane last winter, older voters.

our policies with mainstream val-

While Democratic Leadership

members of the party's left wing

argue that they were disregarded by

such candidates as Walter F. Mon-

The Delaware Democratic chair-

man, Joseph P. Farley, a centrist,

argued that the party "lost the heartbeat of America" in the 1980s

because candidates allowed dispro-

portionate emphasis to be placed

on the agendas of special-interest

Taking the opposite view, Kim Gandy, executive vice president of

the National Organization for

Women, said Mr. Dukakis, Mr.

Mondale and now Mr. Clinton all

failed to build on core support.

"The Democratic Party is a lot like

dale and Michael S. Dukakis.

The contest has substantial con-equences for the setting of party

Americans, once again standing for economic growth. We want to fuse

"changing of the guard in our party a lot of party candidates who run

that says we are committed again to away from the platform and not on

family.

That was partly due to Ronald Reagan's great paternal popularity with young people and partly due to Mr. Gore's starched persona. Mr. Gore has two distinct demeanors. He can be playful in private, but in official settings, be drops his voice to sound more self-consciously sincere and he composes his chiseled features to look more carnest. Many commentators also sug-

gested that Mr. Gore was unable to capitalize on his youth because of the crusade of his wife, Tipper, against dirty lyrics in rock and roll. As Henrik Hertzberg wrote in The New Republic: "Gore should be riding the baby boom like a surfer. He isn't. The fuss over porn rock has turned his campaign into a Tipperware party. The prospect that the East Wing of the White House will be turned into a platform for moralistic hectoring about dirty sougs cannot be pleasing to much of what should be Al Gore's

This time around, however, with Mr. Gore and Mr. Quayle speaking out against rap singers, things have

natural constituency."

"As they've moved into middle age, baby boomer politics have be-come more orthodox," Mr. McCurry said. "Now Tipper Gore can stand up and talk about family values to boomers because they're

all parents, too."
Mr. Clinton has also had moments of generational wind shear. nes like responsibility, work and He admitted he tried marijuana during the Vietnam War era, as Mr. Council supporters argue that in Gore and his wife have said, but then looked foolish for insisting that he did not inhale. past elections the party has succumbed to pressure from labor, He also went through a rocky period over his handling of the womeo's groups, bomosexuals, blacks aid other liberal interests,

draft. In a searing moment, the 45year-old Mr. Clinton sat and listened as Ted Koppel, the host of Nightline," read a letter written by the 23-year-old Clinton thanking a director of the ROTC program at the University of Arkansas for "saving" him from the draft.

Mr. Gore, by contrast, enlisted in the army and went to Vietnam as a military journalist. But he, too, teethed on presidential ambitions. "These guys have less credibility

with their generational cohorts because they are the defenders of the system," Mr. Caddell said. "They remind you of the people in college who were running for student council, calculating their future political careers, while you were out in the streets demonstrating against



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world. It is a plan for survival

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## Herald Eribune.

## Tame the Khmer Rouge

Remember last year's Cambodia peace they note that UN peacekeepers have no agreement? World leaders congranulated mandate to enforce the peace agreement themselves that they had helped negotiate an end to 20-plus years of carnage. But the diplomats underestimated the duplicity and intransigence of the Khmer Rouse.

The fanatics who butchered a million fellow Cambodians in the late 1970s survived the years of Vietnamese occupation, thanks to military support from China and Thailand and diplomatic support from the United States. Now Pol Pot and his comrades openly defy basic provisions of the peace agreement they signed. They will not let United Nations peacekeepers enter areas under Khmer Rouge military control. And they refuse to demobilize 70 percent of their troops or restrict the rest to designated zones.

Their excuse is the alleged presence of Vietnamese army units, a charge that no one else takes seriously. In fact, the Khmer Rouge still believe that political power grows only out of the barrel of a gun. And

mandate to enforce the peace agreement against armed resistance.

The defiance poses a clear challenge to the Security Council, with global stakes.
The council can now move quickly to reinforce the authority of Yasushi, the capable UN administrator for Cambodia, using maximum diplomatic muscle backed by the threat of military force. Or it can let

the Khmer Rouge wreck the peace.

What a terrible example such passivity would set for bullies elsewhere! And what an especially cruel betrayal it would be for Cambodians, who were forced to swallow Khmer Rouge participation as the price of an internationally sponsored peace. The great powers assembled in the Secu-rity Council have the means to face this

bullying down, if they will. They will fail not just Cambodians but vulnerable peoples everywhere if they don't.

-THE NEW YORK TIMES.

## How to Defeat Saddam

Last week's foiled military coup only underscores Saddam Hussein's continuing control of Iraq. That is causing anguish in the White House. But instead of giving up this losing game, coup-pushers there and in Congress are redoubling efforts to dislodge the Iraqi dictator. Their misguided shadow war threatens to underent of ar better way to undermine his rule - United Nations enforcement of the cease-fire resolution.

Despite the Iraqi dictator's deliance, the United Nations is disarming Iraq and provisioning and protecting the Kurds. Its very presence demonstrates the limits of his control. The UN effort deserves Washington's undivided support. Coup attempts that go awry will only undercut that effort.

In one of the worst kept secrets in recent years, President George Busb has signed a series of "findings" authorizing covert operations to overthrow Saddam. One such finding last November led to exploration of military options for supporting a coup once it began. But the Joint Chiefs of Staff wanted oo part of that.

Another option was to aid opponents of the regime — Kurds, Shiites and dissident Sunnis in the army and the Ba'ath Party. Bot Middle East specialists in the State Department warned that various opposition groups could unt pull together without major U.S. involvement and that Iraq

might fall apart. Iraq's oeighbors were also lukewarm. Saudi Arabia. Syria and Iran

were never sure which would beoefit most

from Saddam's ouster.

The chief enthusiasts for overthrowing him are Prince Bandar ibn Sultan, the Saudi ambassador in Washington; civilians in the Pentagoo; and members of Congress. Their relentless coup-mongering goads the administration to take covert action. Saddam seems to have sniffed ont the recent coup before it began, crushed it, and purged the plotters. Regrettably, that does oot daunt the coup-pushers, who seek \$40 million in covert funds, up from last year's \$15 million, to finance operations against Iraq.

The United Nations offers a better way. As long as it enforces the cease-fire, Saddam is not master of his house. That is why he wants sanctions lifted, impedes UN relief workers and denies inspectors the right to search the Agriculture Ministry for documents that could lead them to missiles, chemical and biological arms, and nuclear technology that some believe he still hides.

Continued U.S. plotting only strengthens Iraqi support for Saddam's defiance and weakens international support for sanctions. Why won't Washington back a program that is slowly but surely undermining him, in-stead of lunging for the quick and dirty fix?

-THE NEW YORK TIMES.

## **Unspeakable Deficit**

"Addressing the deficit requires fair and shared sacrifice of all Americans for the common good," the Democratic platform says, but that is about the last you hear of sacrifice. True, conventions are not occasions for mournfulness, but rather for uplift and exhortations to victory. But alas, the fact is that the No. 1 problem the Democrats will face if they win the election this

fall will be the budget deficit. The platform follows the candidate in saying that there are two deficits, one fiscal, the other social. "We must strive to close both," they agree, but it is the second that interests them the most. Let us turn the country around, and we'll grow our way out of the budget deficit — that is the prospect they hold our. It is the same prospect that candidates and platforms of both parties always hold out. They have other things they want to do than to be the national dispensers of pain. But this time at least, unless they first dispense the pain, they will not be able to do the rest. They will not have the money.

Ronald Reagan and George Bush spent it all. Interest on the debt threatens to become the account that are the budget. The interest payment is mostly the bill for the Reagan-Bush years, during which the debt quadrupled and the structural mismatch between revenues and expenditures that continues to plague the government developed to its present degree. Interest is a seventh of the bud-

get, twice its share when the Reagan admin-istration began. Forty percent of the revenue from the individual income tax is consumed

in paying interest, crowding out much else.
Will the crowding out continue? The Congressional Budget Office has done a projection of the budget outlook through the year 2002. The projection assumes that there will be steady moderate economic growth throughout the period with low inflation and relatively low interest rates alike, a highly favorable if not quite contradictory fiscal setting. If all those favorable conditions prevail, interest will stay a relarively steady percentage of the budget and of the gross domestic product, the projec-tion says. But if anything goes wrong — if the economy is either weaker or stronger than projected, if the deficits and/or interest rates turn out to be higher - the awful weed would likely start to grow again.

Political choices are relative; the question in an election is always, compared to what? Strangely enough for the party of supposed tax-and-spend, it is the Democrats who are now in the better, more responsible position on the fiscal issue. The Republicans created the present problem, and Ross Perot so far has only deplored it. But the Democrats have oot laid out the hard choices, either - and likely won't this week. That is not what a coovention is about.

-THE WASHINGTON POST.

## Other Comment

#### Hong Kong: A Test of Wills

The man who will manage Hong Kong's transition to Chinese rule in five years takes office at a time neither propitions nor grim. A vibrant Hong Kong is going to the be mainland's corridor to modernization. The "new China" of the coastal provinces is that vanguard. This is the in-built safety valve, the better to relieve pressure when truculence on either side threatens to hold back cooperation.

This is why a case can be made for optimism in spite of the storm clouds. Even the hardening of positions on both sides over financing arrangements for the new airport need not degenerate into more than a contest of wills. Should it? There is no argument that this buge undertaking of 10 different projects covering an airport, a port, rail links, reclamation and ancillary works is crucial to the future expansion of not just Hong Kong but of coastal China and the economies in the Asia-Pacific region.

But what is one to make of the suggestion that China is linking the airport issue to the move for wider democratization in Hong Kong's elective process?

Ever since the pro-democracy United Democrats of Martin Lee dominated the first direct elections to the Legislative Council last September, there has been a

snowballing move for liberals to be appointed to the Executive Council. Worse, from Beijing's perspective, are hints that the oumber of directly elected seats might be increased beyond an agreed formula.

China is not amused. Anything excessive ly foreign that is to be grafted to its body politic after 1997 can expect to be rejected. Yet Hong Kongers who live for materialism and a capitalist ethos have reason to be demanding. How this issue is resolved to their satisfaction without violating agreements and trust, or saddling the handover with ill-will, is going to determine whether Hong Kong's confidence level — and the world's faith in the territory — stays high after China assumes control.

- The Straits Times (Singapore).

#### Let the UN Help South Africa

The United Nations should contemplate sending negotiators to bridge the chasm between the two sides [in South Africa] before the situation worsens beyond repair. It also should consider monitoring the deadly township violence. Such independent scrutiny should reassure the ANC. which repeatedly has accused the government of complicity in the violence.

- Los Angeles Times.

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## Russian Arms to China: Japan Steps In

WASHINGTON — Alarmed by intelligence reports of rising Russian weapons exports to China, the Japanese government has launched a secret diplomatic initiative to limit Moscow's arms sales to Beijing's Communist government. Japan is quietly warning Russia that upsetting the military balance in Asia by strengthening China with high-tech conventional weaponry will damage Moscow's chances for massive economic aid from Japan and the West for recon-

struction, despite the encouraging noises made at the Group of Seven summit in Munich last week. U.S. diplomatic belp is vital to Tokyo's credi-bility in this initiative. But George Busb's concern for Boris Yeltsin's precarious position and the White House's desire to maintain good relations with China's aging leadership have prevented any vigorous U.S. action thus far.

Information on these developments, pieced together on visits in Tokyo, Moscow and Washington, show that China's booming trade with the United States, which is protected by President Bush's tolerant policies, is a triple dose of poison for the world community: China's 513 billion annual trade surplus with

America provides Deog & Co. with visible proof to show their captive populace that the U.S. government does not take human rights in China as seriously as it does in other countries that have been hit by American economic sanctions.

The trade surplus has two other pernicious effects. It belps fuel a dangerous arms race in Asia. And Chinese purchases of Russian arms, paid for in part with the foreign exchange earned from trade with America, provide the ex-Soviet military-industrial complex with a potential fiBy Jim Hoagland

nancial cushion against having to shut down or

convert to manufacturing civilian goods. Officials in Russia, Ukraine, Belarus and other former Soviet republics make no secret of their desire to develop China as a hierative market for their excess advanced weapons.

Mikhail Maley, a senior adviser to Mr. Yeltsin, bluntly told the Rossiiskaya Gazeta newspaper in Moscow a few months ago that the attempt to convert Russia's arms plants into consumer-goods factories had failed. "Conversion should be a transformation of the military-industrial complex into an export industry," he said. In March, Pyotr Aven, Russia's minister of

foreign economic relations, visited Beijing and proclaimed on returning home that he had signed arms contracts with the Chinese. On May 19, Mr. Yeltsin told defense plant managers Russia would try to market \$5 billion worth of arms yearly. The most disturbing report that has reached Tokyo involves exploration by the Chinese of

buying the Varyag a modern aircraft carrier being built in Ukraine. Chinese diplomats are reported to have contacted Russian officials in Beijing to inquire about the carrier's availability. Japanese officials cannot confirm that any serious discussions on the Varyag have taken place. But Japan and Taiwan have long feared that China barbors ambitions to build a "blue

sea navy" that would enable Beijing to project its military might not unly into the South China Sea but eventually into the Indian Ocean.
Russia began delivery of a squadron of 24 SU-

27 advanced fighters to Beijing earlier this year, with two more squadrons of SU-27s on order. Contracts have been signed for two squadrons of the advanced SU-31 fighter interceptor and for a number of T-72 tanks, press reports say.

Tarwan cites the Russian sales as justification

The state of the s

for pushing ahead with plans to purchase two or more squadrons of Mirage fighters and air-toair missiles from France.

The dangers of the escalating arms race in East Asia are frighteningly clear for Tokyo. To start their initiative, Japanese officials raised the question of arms sales to China with members of the Russian Foreign Ministry's policy planning staff

in Moscow at the beginning of June.

Having reason to believe that the preparation in Tokyo for his meeting with Mr. Bush here July 1 included a briefing on the Chinese arms purchases, I asked Prime Minister Kiichi Miyazawa after that meeting whether he had brought up China with the president. Mr. Miyazawa confirmed that he had, but did not provide any details.

Japan's normally cautious approach to China is becoming tougher as concern about the arms buildup rises. Mr. Miyazawa has rejected highlevel Chinese requests to clear the way for a visit to China by Emperor Akihito. And Mr. Miyazawa has insisted that "economic reforms should pave the way for political reforms" in China.

Hard cash is uniting what ideology put asun-der. Arms sales make ex-rivals Moscow and Beijing comfortable bedfellows, while backing Japan and Taiwan into a dangerous corner. The Bush administration should be more concerned about what it is getting for its money.

The Washington Post.

## Japanese Plutonium Raises a Nuclear Scare at Sea

By Mark J. Valencia

HONOLULU — A cost-in-my-backyard syndrome is about to take on global dimensions as Japanese authorities prepare to ship a ton of deadly plutonium from France back to Japan in the fall. It is the first of many such shipments that Japan plans to make in the next decade. Tokyo says the plutonium will be used as fuel

for nuclear power plants in Japan. The movement by sea of this highly radioactive material is of considerable environmental and health concern to countries along the shipping route. South Africa bas said it would bar Japanese ships carrying plutonium from sailing within 200 miles of its coast. Emil Salim, the Indonesian minister of state for population and environment says that in the interests of safety Indonesia has advised Japan to avoid congested straits and shipping lanes off Southeast Asia even though they might offer a quicker route: he said Japan should use ocean

routes as lar as possible from land, Now Australia, New Zealand, Pa-pua New Guinea and 12 Pacific island states have asked Japan to consuit them on the planned plutonium shipment through the Pacific, saying that it should be carried out "in accordance with the highest interna-tional safety and security standards." The first cargo of plutonium is to be carried in a special ship escorted by a lightly armed Japanese coast guard vessel. U.S. satellites will provide surveillance.
One ton of plutonium is enough to

make more than 100 nuclear bombs. Environmental groups and other critics of the Japanese plan say the con-voy is a potential hijacking target. Staffed by a Japanese crew without military training or beavy arms, the two vessels could be suseptible to a terrorist group equipped with a speedboat and anti-ship missiles. Because the plutonium is derived from ouclear fuel supplied to Japan

by the United States. Washington must apprave the shipping plan. The United States has indicated that it is satisfied with arrangements. But environmental critics worry that containers fur the plutonium oxide powder are not guaranteed to withstand temperatures of more than 800 degrees centigrade, a temperature sometimes exceeded by fires at sea.

Should the cargo ship sink the

pressure of water in the depths of the ocean might crush the casks and release the plutonium. There is also concern that the Japanese shipments may open the door to worldwide commercial traffic in one of the most toxic substances on earth. South Korea and Taiwan may also want to start shipping spent nuclear fuel from power reactors for reprocessing into

phnonium and return by sea. A likely roote for the plutonium convoy is around southern Africa, across the Iudian Ocean, then through the Straits of Malacca and the South China and East China seas. This 17,000-mile voyage would

take about seven weeks. The Malacca straits, one of the busiest sea-lanes in the world, is claimed as territorial sea by Indonesia and Malaysia and thus falls under a regime of innocent passage. A ship, that the governments of these two comuries judge to be a threat to their peace, good order or security could be barred. An innocent passage re-gime also applies to China's territorial seas around the Paracel and Sprat-

Beijing asserts sovereignty over the islands, although its claims are disputed by other countries.

Under the Convention on the Law of the Sea, maritime powers enjoy var-ious navigational rights. But it will still be several years before the treaty will have enough signatures to come into effect. Some maritime powers, such as the United States, have indicated that they will not sign the treaty.

Japan's plutonium shipments may

have major implications for freedom of navigation. In an environment of legal uncertainty and platonium al-legy, sovereignly claims may be ex-tended, hampering foreign passage through critical straits and sea-lanes in Asia and elsewhere. Amid growing environmental consiousness, such jurisdictional extension may sooner or later be interpreted by governments as a responsibility to protect living marine resources and the health of people from activities that could cause serious pollution.

The writer, who specializes in law of the sea and maritime resource issues, is a research associate at the East-West Center in Hawaii. He contributed this to the International Herold Tribune.

## ly islands in the South China Sea. A Nuclear Dilemma Looms for Peace-Prone Israel the most vigorous opponents of industrial policy, on the ground that the government is ill-stated to pick

ROME — The big test for current Israeli strategic thinking may come soon. It is an issue inextricably linked to the peace process and to the new government's line both in foreign policy and in military doctrine. Yet the issue was not raised in the recent election campaigning, nor is it being publicly discussed now.

Possessioo of a formidable ouclear force is central to Israel's strategic thinking. In conversations with political and military leaders in Jerusalem and Tel Aviv. I was struck by the fact that very few seem to be prepared to renounce that force. But is Israel's possession of the bomb compatible with a Middle East peace settlement?

More concretely, how can an Israeli government realistically believe that it will be able to maintain a ouclear arsenal in the Middle East unchallenged for years, when startling reports of outlear weap-ons transfers from the former Soviet Union have been circulating for months? When the effective control of ouclear materials in the republics of the former Soviet Unioo raises many uncertainties? When the brain drain of abysmally low-paid weapons experts from the Eastern countries increases dramatically the risk of proliferation?

Israeli strategic thinking has relied on the ouclear "force de frappe" since it became evident tu military leaders several years ago that the country had reached the limit of quantitative growth in its miliBy Enrico Jacchia

tary forces. Manpower is an insuperable constraint. Moreover, massive selling of conventional military hardware by the successor states of the former Soviet Union and by former East bloc countries has convinced Israelis of the futility of any effort to compete with the Arabs in a conventional arms race. Having realized that, Israel also decided that an extension of the arms race to the area of nuclear weapons was incompatible with its security. So an Israeli air raid destroyed the Iraqi Osiraq reactor.

Ignoring international crincism, Israel could hold to such a posture as long as the Arab states had an indisputably hostile attitude. And now? While the peace process develops, those states could give further impetus to their civilian nuclear energy progrums. That, in time, would confer the capability to produce nuclear bombs. (A ouclear plant, by burning its fuel, produces electricity but also photonium that can be reprocessed for nuclear weapons.)

In recent years. Israel bas considered interfering with Arab nuclear plans through clandestine sabotage operations. That can hardly be an option any more. Even less could Israel act against a civilian nuclear reactor of an Arab country while negotiating a peace treaty with it.

A way out could be the establishment of a

Nuclear Weapons Prec Zone in the Middle East an idea that has many supporters among Israeli strategists. The Israelis, however, would accept the establishment of such a zone only if mutual inspection procedures were adopted. They want to be sure. They stress the uselessness

of IAEA inspection that let the Iraqis begin build-ing their nuclear military potential undisturbed. They advocate serious, intrusive inspection on neighbors' territory, the kind the United States carries out in the former Soviet Union. (American inspector teams, for instance, are permanently located near a major missile factory in the Urals.) This is precisely the difficulty. Such intrusive

measures can be taken when there is a degree of reciprocal confidence - at the end of a peace process, not before.

In sum, the Israelis want peace and security. Peace may be possible and bring security, but it could be a long process. Meanwhile, if proliferation spreads to the Middle East, the Israeli nuclear arsenal will lose the absolute power of deterrence that it possesses now. Bombing a neighbor's attempts to go nuclear, it is generally admitted, is no longer an option. Thus, the capacity of guarantee-ing security with a nuclear strike force fades away. No wonder nobody dared raise the nuclear dilemma in the election campaign.

## Convention: The Old American Classic Is No More

N EW YORK — What fun they used to be. Nonstop drama, intrigue, eloquence at the podium. demonstrations toaring across the floor, banners waving in the air, smoke-filled rooms, lavonte sons, dark horses, delegations polled ballot after ballot ("Alabama casts 24 votes for Oscar W. Uoderwood"), brass bands and pipe organs, "Happy Days Are Here Again." Presidential nomi-nating conventions used to combine the best features of urgent debate.

gripping theater and a horse race.
Little delighted the great H. L. Mencken more than this quadrennial political rite. "There is something about a national convention," he said, "that makes it as fascinating as a revival or a hanging ... a show so gaudy and hilarious, so melodramatic and obscene, so unimaginably exhilarating and preposterous that one lives a gorgeous year in an hour.

Once an arena of decision, the convention in recent times has dwindled into a ceremony of ratification. Not since 1952 has a nominee required more than one ballnt.

Indeed, since 1928, conventions have only twice (for each party) gone into extra ballots, although the exceptions — 1932 and 1952 for the Democrats, 1940 and 1948 for the Republicans - revived memories of more exciting days.

Television networks, initially pleased by the carnival, bave long since lost patience, first demanding changes on the threat of reducing coverage - and then reducing coverage anyway, oo the claim that the public could not care less. (Citizens who yearn for more extended coverage of this year's conventions must thank beaven for CNN and C-Span.) The convention still has many of the old uses. It still brings together repre-sentatives of different regions and in-

terests, still composes disagreements

over program and policy, still ham-

By Arthur Schlesinger Jr. This is the first of two articles.

mers out a platform, still unites the party for the struggles ahead. These are the principal bulwarks against his-torical forces that have been sapping the parties' vitality for decades. The crisis of the party system pro-

vides an additional reason why conventions deserve to be sustained and given a fair break on television. Cooventions are the culminating symbols of the system that has for two centuries brought a measure of stability to American politics.

The crumbling away of the parties would transfer pobucal power to personalist movements, founded not on historic organizations but on compelpersonalities, private furtures popular frustrations. Political adventurers would roam the countryside like Chinese warlords, building personal armies equipped with electronic technologies.

Without the stabilizing influence of parties, politics would grow angrier, wilder and more irresponsible. Maybe that is already happening. Above all, the convention renews

the party's tradition, redefines its direction, revalidates its very identity. The glory of the convention is to enable the party every four years to rediscover itself. And the coovertion puts the party

to what that keen British observer of American politics, James Bryce (1838-1922), described a century ago as its crucial test: "In a country so full of change and movement as America, new questions are always coming up, and must be answered. New troubles surround a government, and a way must be found to escape from them; new diseases attack the nation, and have to be cured. The duty of a great party is ... to

find answers and remedies."

Bryce, in "The American Commonwealth," provided a famous description of the convention in its heyday. Thousands of politicians, news-papermen and sightseers, be wrote, would so crowd the streets of the convention city that horsecars could scarcely penetrate the throng. The air is thick with tales of plots and treasons, so that no politician trusts his neighbor, for rumor spares none,"

Then the proceedings would begin, with more than 800 delegates and 12,000 spectators—"the hugest mass meeting the world knows of." The Britisher was especially struck by the general "excitability," as delegates wrangled about the platform and the candidates - the "storms of cheering or hissing at an allusion to a favorite aspirant or an obnoxious

name ... Five or six speakers may take the floor together, shouting and gesticulating at each other."

At last the roll call would start. An experienced manager would hold back a few votes so that they might generate a "stampede" on a later bal-lot — well defined by William Safire as "a panie-stricken decision on the part of delegates to jump on a band-

wagon as it gathers speed." The process could be long and tumultuous. In 1852 the Democrats required 49 ballots and the Whigs 53 before making their nominations; in 1912 the Democrats balloted 46 times before settling on Woodrow Wilson; in 1924 they went on for two weeks and 103 ballots.

The fever beat of the convention.". noted Bryce, "is almost matched by that ... of every spot over the Union to which there runs an electric wire. Every incident, speech, vote is instantly telegraphed to all the cities." Crowds gathered round newspaper offices to hear the latest bulletins. When nominations were finally made, supporters went wild with delight, salvos of artillery were fired off, processions with blaring bands paraded the streets.

But the next 100 years saw a drastic transformation in the convention, much of its lifeblood drained away by the decay of the party system, by the proliferation of primaries, by the dictatorship of television.

© 1992 Arthur Schlesinger Jr. Excerpted from The New York Times Magazine.

This year a principal candidate may not even bother to hold a convention. What has happened to this once glorious national ritual?

tech sectors, hoping that this would defuse demands for "managed trade" (I in which the United States and Japan) would agree on specific reciprocal shares of each other's markets.

I do oot particularly like the drift toward industrial policy, including the Democratic platform language, but I think a discouraged public is ready to accept it. Mr. Clinton feels that he must make minimalist concessions to the hard-line protectionist

wing of the Gephardt Democrats.

The Democratic platform should have repeated a caveat issued in March by a bipartisan business-labor public commission chaired by Fred Bergsten: Industrial policy notwith standing, the test of a nation's competitiveness "ultimately rests on qu performance, and cost of goods and services produced within its borders. The Washington Post

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Democrats Ready NEW YORK - The latest political cossip is that ex-Secretary Whitney is

urged for Democratic National chair-man. Grover Cleveland has asked him to act. Preparations are being made for a great party demonstration in connection with the formal notification to Mr. Cleveland and Adlai Stevenson. The other nominations are likely to be in the nature of a big ratification at Madison-square-garden, New York, instead of the customary private call on candidates by the committee of their notification.

#### 1917: Off to the Front

A PORT OF FRANCE - The railroad yards presented scenes of great activity yesterday [July 11]. Dozens and dozens of long trains pulled ont one after another toward the front German prisoners aided in the loading of the long trains. Most of the trains contained perspiring, bronzed mies and their "toilet articles," as

they call their cambersome luggage. Many of the boys were asked where they were going, but Sammy is a can-tious lad, and to all inquiries he replied very sagely in the latest American slang phrase: "California's in doubt."

#### 1942: A Divided 14th

LONDON - From our New York edition: ] On the eve of Bastille Days the French national holiday, General de Gaulle made a radio address urging those in the unoccupied zone to mail Bastille Day tomorrow by flying the French flag (the Tricolor) and by mass singing in public of "La Marse the French national anthem. The Vis. chy government has amounced that there must be no celebration, but there are signs that even in the occupied 2000e the people will mark the day, possibly with bombs and hand go. hades as well as fireworks," in the words of one report received here. An office at Bourges for recraiting mento light for Germany in Russia was said to have been bombed today.

ation of a civilian research agency to fast-forward the development of her nevi those technologies.

Mr. Clinton's economic plan mentions biotechnology, robotics, high-speed computing and environmental in the technology as the kind of industries that would get the benefits.

In "Head to Head — The Coming Economic Battle Among Japan, Europe and America," Lester Thurous says that even in the Bush administra-10 Com. 1 Will be a second render - - - -ROTTER 1 ger Tay - 1 tion, where "it is not politically correct" locate or . . . to talk about industrial policies," there are "rumblings" of support for them. There can be no doubt that Mr.
Thurow is right about the trend.
Whether the enthusiasm for an indust Te service mal policy is the right medicine for, The Gory

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**Here Comes** 

Industrial

Policy ...

By Hobart Rowen

WASHINGTON - The words

windustrial policy" will not appear in the 1992 Democratic Party platform to be adopted in New

York this week. But, in tune with

Bill Clinton's economic strategy, the

government has a responsibility to

help some key industries in the same

way as Japan and Europe do.

A plank reads: "Either we develop:

and pursue a national plan for restor-

ing our economy through a partner, ship of government, labor and business, or we slip behind the nations that

are competing with us and growing.

Three specifics are mentioned to carry out this approach: a permanent R&D tax credit; doubling basic research in key technologies, and credits of a credit of the competition of a credit of the competition of a credit of the competition of a credit of the credi

America is another story. Mr. Thurow

nounce that it will duplicate any poli-cies put in place in the rest of the

world ... Any delay in permitting an American telecommunication de

vice to be used abroad, such as the

delays Motorola expenenced in Ja-

pan with its cellular telephones, will

be matched with delays for advanced

Japanese equipment within the Unit-ed States. Americans are no longer in

a position to force the rest of the

world to play the economic game by its rules, but Americans can play the game by their rules. If they want to

olay hardball, we'll play hardball."

Lawrence, one of the economists Mc

Thurow mentions to support his con-

chision that viewpoints are changing,

disagrees sharply. "I don't object to playing hardball, but I don't object to playing hardball, but I don't think we should be copying every dumb thing the foreigners do. That's a recipe for disaster," Mr. Lawrence told me.

The Brookings Institution economist Charles Schultze remains one of

winners and losers." In the book,

"Memos to the President," Mr.

Schultze argues that 'if the overall'

cy is favorable. American manufac-

turing industries are perfectly capa-

ble of achieving reasonable growth and international competitiveness."

Neither Mr. Schultze nor Mr. Law-

rence would sit idly by while Japan or

Germany played an unfair game. In a

joint paper in 1990 they said that if

lapan or any other country protects

its high-tech sector with barriers

against imports, the United States should impose tariffs on the sale of products developed in that way.

States must expend more momes for

civilian R&D, especially as Pentagoni

budgets, which in effect paid for much.

The Democratic platform appears to go beyond what Mr. Lawrence and Mr. Schultze would buy, but it stops

short of Mr. Thurow's advocacy of a

"21st century civilian R&D race for.

supremacy." It more or less matched

the "limited" industrial policy suggest-

ed by Paul Krugman, an MIT econo, mist, who would subsidize a few high-

broadly based R&D, shrink.

Mr. Schultze agreed that the United

framework of economic growth poli-

The Harvard economist Robert

The United States should and

makes the case that it is, this way:

platform goes a long way in accepting the argument that the federal

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## **OPINION**

## Buttons and Wildflowers: **New York Keeps Coping**

By William Safire

EW YORK — My first job in jour— We all take up that invitation as we get naism was folding the "guts," or weekend sections, of The New York Times into the main news section on Saturday nights behind the subway kiosk on 91st Street and Broadway. The pay was half a buck an hour, only fair for a 12-year-old in 1942, but n fire in an oil drum kept us warm on early November nights and there was the thrill of being in the newspaper business.

Across the street was a political store-

front for the Democratic congressman, but the pols there were chary about hand-ing out literature and doodads to hang around your neck to kids. My buddy Marty and I preferred the upstairs head-quarters of the American Labor Party candidate, Vito Marcantonio, who may have been a Communist but was great on distributing buttons, which we would take and pass out to friends who had no political or media connections.

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I'm a Washingtonian and a weekend West Virginian now, but these memories rushed back in New York on the weekend before the Democratic convention. Fifteen thousand political journalists are here, poised to derogate this symbol of hurried urbanity, and the city is straining to disabuse them of their prejudices.

"Now that's impressive," said a seri-ously beautiful Midwestern anchorperson, here with her personal dish and antennas, pointing to a police car marked "TLC Patrol" She thinks it stands for "tender loving care" being extended to tourists; I am not the one to tell ber it is the Taxi and Limousine Commission looking for cheating cabdrivers.

To get a sense of the city's changes.

and dreading the likely disappointment, I went back to the old neighborhood.

## The Gorgeous Crush NEW YORK INSPIRES in me the romantic populism found in Wil-

normanie populism found in Wil-iam Saroyan stories. You descend into the subway, a great institution that, like the Democratic Party, is often grieved over but still runs and is packed with people. The ads aren't for BMWs or ski resorts, they're for hemorrhoids and sore feet, bunions, bad skin, drug problems. It is crowded, but don't be afraid. You're safer on the subway than in any country ylub in America, especially when it comes to the danger of corruption.

There is a centrifugal force that wants to hurl us out into the countryside, into the Republican dream of a hobby farm with a giant satellite dish and a tiny wife named Trivie, Don't go. Enjoy New York Here, you get the vision of human-ity that inspired Whitman and Dickens.

Republicans imagine us as a nation of Smiths, but we're all of humanity, a gorgeous crush. There's no other city where you can see so much of America at once.

— Garrison Keillor, author of "WLT: A Radio Romance," writing in The New York Times.

older, and expect a visit to the scenes of youth to be like biting down on a heartache; the demolition ball of progress or the slumification of a cherished scene

makes our nostalgia neuralgic.
But the Upper West Side surprised me. Gone were the restaurants of yesteryear

— Tip Toe Inn, Stark's, the Lobster Pond

- but the squeezed Pentecostal church on 92d Street was still open, the corner or "vitamin center," Joan of Arc Junior High was graffiti-free, and the residential Hotel Windermere, where we lived, still dominated the local skyline.

I sat on the stoop of what had been the Hotel Ridgefield, a genteel if bro-ken-down brothel whose friendly ladies would happily receive and wear our gifts of political buttons; it is now a respectable, rehabilitated apartment house with

"visitors must be announced" sign.
Down to Riverside Park, where a stunning sight awaited: wildllowers. Not just poking up among the weeds, as in West Virginia's mountains, but organized New York wildflowers - growing on what had been a patch of hard dirt that drew not an interested sniff from my Scottie, when I walked him there generations ago.

A half-dozen people in overalls were weeding the flower beds. These were not park employees in green uniforms, but "The Garden People": community volunteers determined to inflict beauty on what had been a field of mugwort weed. "Those pink flowers are mallow," said Rosemary Gant, ripping out a mugwort. "The gooseneck, Queen Anne's lace, and day lilies are all around. The Parks Department built the fence protecting the flowers after they found we were serious."

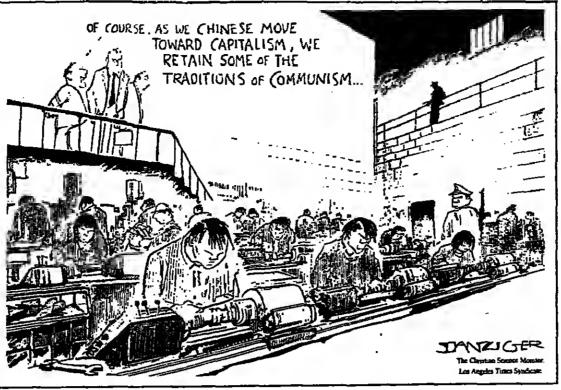
She handed me a fact sheet; activist New Yorkers are prepared for coverage.

Climbing up the steps to the Soldiers' and Sailors' Monument, I heard the stentorian sounds of actors rehearsing Shakespeare. "A Comedy of Errors' was being performed on preconvention weekend. "Tell the delegates to come," said director Lisa Juliano. "It's culture

and it's free." She handed me a program. Fear, outrage and anomie-tooism may stalk these middle-class hills at night, but the old neighborhood seems to me a nicer place now than it used to be. Yesteryear's curb-ball champ, Bernie Wohl, stayed here to become one of the great social workers who give a neighborhood a sense of community that conventioneers too seldom see.

I taxied downtown to pick up credentials and badges from Martin Tol-chin, the veteran New York Times reporter in charge of our convention arrangements. There was my buddy Marty from 50 years ago, still handing out buttons, reminding me of our roots in newspapers, politics and the most self-renewing city in the world.

The New York Times.



#### LETTERS TO THE EDITOR

active in helping American industries

and higher education. Both are losing

If George Bush dares to call himself

the "environmental president" after his

shortsighted and destructive behavior in

Rio. I wonder how be defines "environ-

ment." What environment did he mean

when he pushed for the conservation of

nomic exploitation and destruction of

America's own Pacific Northwest trees?

The U.S. government's approach to en-vironmental protection resembles that

leader claimed that "if you've seen one tree, you've seen them all." If this be-

traval of the environment reflects how

Mr. Bush keeps his promises, thank

JENNIFER L McDERMOTT.

Paul Hollander hit the nail on the

head in "The State of Anti-American-

goodness it's an election year.

the Reagan administration, whose

forests at Rio, while endorsing the eco-

DAVID SLEET.

Helsinki.

Geneva.

out to competition abroad.

#### American Malaise: The Cure Will Take Creative Action

In response to the report "Bush's Ramblings, Some Associates Suy, Hide a Growing Anxiety" (July 2):

If George Bush would open his eyes, he might recognize the source of his political problems in his own words: "I think we are just exactly where the beartbeat of America is. But you

couldn't tell it because of all the noise and the fury out there of Politics '92."

What the president misses is that the noise and fury out there are the American people venting their frustration and anger at falling job security and earning power. soaring health costs and crime, and Mr. Bush's unwillingness or inability to provide real solutions to these problems, Pious rhetoric won't change a thing.

OTTO MAYR.

The problems created by Mr. Bush's miscalculation on the economy and lack of control over the recession go far beyond falling salaries and bleak job mar-kets ("As the Economy Soured, So Did Voters on Bush, "June 30, So-called re-cession-proof" jobs, such as tenured teaching and full professional positions in higher education, are disappearing.
In June, the University of San Diego, a

camous of 30,000 students where I taught and conducted research full-time for the past 18 years, eliminated nine academic departments and issued layoff notices to 200 professors because of "lack of funds." It has forced many, like myself, to export our skills overseas - one more sign of the U.S. economy in trouble.

Perhaps Mr. Bush should be more

ism: Opposing Trends" (Opinion, July 4) when be posed the fundamental question about how long Americans can go on putting up with a society that offers fewer and fewer certainties. Has America not learned from experience that all that is creative is ultimately a moral affirmation, the faith that dares in the absence of certainty, the courage to go forward in the face of adversity? DAN CHELLUMBEN.

Amboise France.

The report "Quayle, Set to Attack, Ends Up on Defense" [July 4] quotes the vice president as saying, "You don't just get economic growth by saying you're for

be applied to the Bush administration. It seems that after four years in office as president and eight years as vice president. George Bush did not do enough regarding the three Es: economy, educa-

#### ELIZABETH NICOLOSI.

rent administration in Washington was simple: Don't tax the rich and they will let their money trickle down to help the middle class and the poor. This notion -11 years in practice - has left people across the country unemployed, and many homeless. This is perhaps evidence that if an administration is "of the rich, for the rich and by the rich," an erosion of the middle class and an increase in the

and serve all the people of the country. Bill Clinton is this kind of leader.

— you have to do something."
He's right. I wonder if his opinion can

non and the environment.

Mr. Bush, don't insult the American

public with promises of what you will do in the last six months of your term. You have had ample time "to do something."

How bypocritical of the U.S. government to want to run the world while at the same time allowing its own people to suffer from hunger, poverty and lack of basic medical, dental and housing needs. The "trickle-down" theory of the cur-

number of the poor will follow. We need a president who can listen

> RICHARD LEE BARTON. Helmond, Netherlands.

## Bastille Day Was Savage, So What's to Celebrate?

By Daniel Oliver

WASHINGTON - A controversy has arisen over the French national anthem - "La Marseillaise." The revisionists want to remove phrases they claim are bloody, belicose and xenophobic. "March on, march on, and drench our fields with their tainted blood" is not thought to be appropriate in today's more peaceful, global living.

Americans are no strangers to the revisionists impulses. Some would like to adopt a new national anthem, partly on the grounds that "The Star Spangled

Banner" is difficult to sing.
When the Episcopalians in America
republished their hymnal, there was talk of omitting "Onward Christian Sol-

#### MEANWHILE

diers" because its militarist tone was not suitably Christian. The Presbyterians re-moved "Faith of Our Fathers" from their hymnal because it was considered sexist, and "Stand Up, Stand Up for Jesus" because it was said to be offen-sive to the handicapped. The tradition-alists rightly objected in all cases. But in France the traditionalists are

wrong. The French should rewrite their national anthem, not because the words may seem inappropriate to today's world but precisely because they are appropriate to French history — which is as drenched in blood as history gets. Written on April 24, 1792, the Marseillaise appeared three years after the French Revolution, the beginning of modern French history. That so-called revolution was the precursor of modern totalitarianism - and that is nothing to sing about. Lovers of freedom should urge the French to change their national anthem and their national holiday.

Some would have us believe that the French Revolution is about something lofty and serious, like the Declaration of the Rights of Man. But the celebrated revolutionary event was the storming of the nearly empty Bastille on July 14, 1789, and a number of brutal murders, by an unruly Paris mob. The American event of July 4, 1776, by contrast, was the signing of the Declaration of Independence, the prelude to the successful military struggle of the colonies to free themselves from British rule—not from British traditions.

The term "revolution" was borrowed from astronomy, and referred to the movements of the planets around the sun; slow and gradual, if inexorable. In that sense, of course - the American sense - the French Revolution wasn't a revolution at all, not a gradual turn of events in the affairs of men. It was a violent upheaval, a murderous, tyranni-cal, chaotic, evil period in French history - hardly a time, hardly circum-stances, to be celebrated.

The French Revolution did not just lead to violence. It led from violence. Men, women, children slaughtered,

butchered, dismembered by the thousands. Tens of thousands. Hundreds of thousands. Quite beyond comprehen-sion, we would say. And yet, of course,

we have seen it, in our own time.
We have seen it. We remember it. But. we do not celebrate it, or sing its songs." Not all Frenchmen are celebrating. their country's birth on Bastille Day. They may attend the festivities, see, friends, share food and drink, but they do not "believe." For they are not stupid; nor are they callous. And they know, their history better than Americans do.
Unless they are Marxists, they are not willing to ignore the bodies and the blood that are the French Revolution.

What a tragedy not to have a birthday to celebrate. Birthdays are central events in our lives: our own birthdays, sure; but also our parents' birthdays, and our brothers' and sisters', our grandparents'.
And of course, our country's birthday —
in America's case, the Fourth of July.

Suppose America's founders had be-queathed a national birthday com-memorating the historical equivalent of the My Lai massacre, or the Charles' Manson murders. To be sure, the opportunity of those events does not begin to approach the scale of the borror.
of the French Revolution. But suppose something like that was the event of America's national founding. What would Americans do?

We would find something else to celebrate. And that is what the French should do, find an event or a personthey can justly celebrate: someone, something that stands for the best of France, the glory of France.

The glory of France is not the Bastille.

A nation that has been central to the development of Western civilization its art, its music, its culture, its history can find something else to celebrate.

When was Joan of Arc born? When: was Charlemagne crowned? When was the cornerstone at Mont St. Michel laid? When was the cathedral at Chartres completed? When was the Resistance organized? The French have a history that marches from Caesar to de Gaulle — a history full of glory, full of times other than their Revolution to remem-

ber and sing about.

Perhaps they could even sing about the night they invented champagne.

The writer, chairman of the U.S. Federal Trade Commission from 1986 to. 1989, contributed this comment to the International Herald Tribune.

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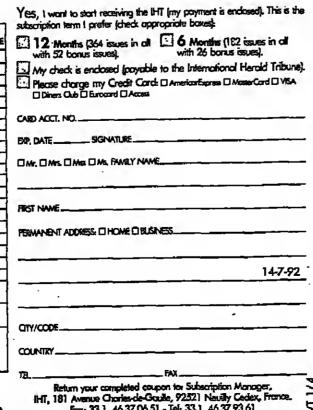
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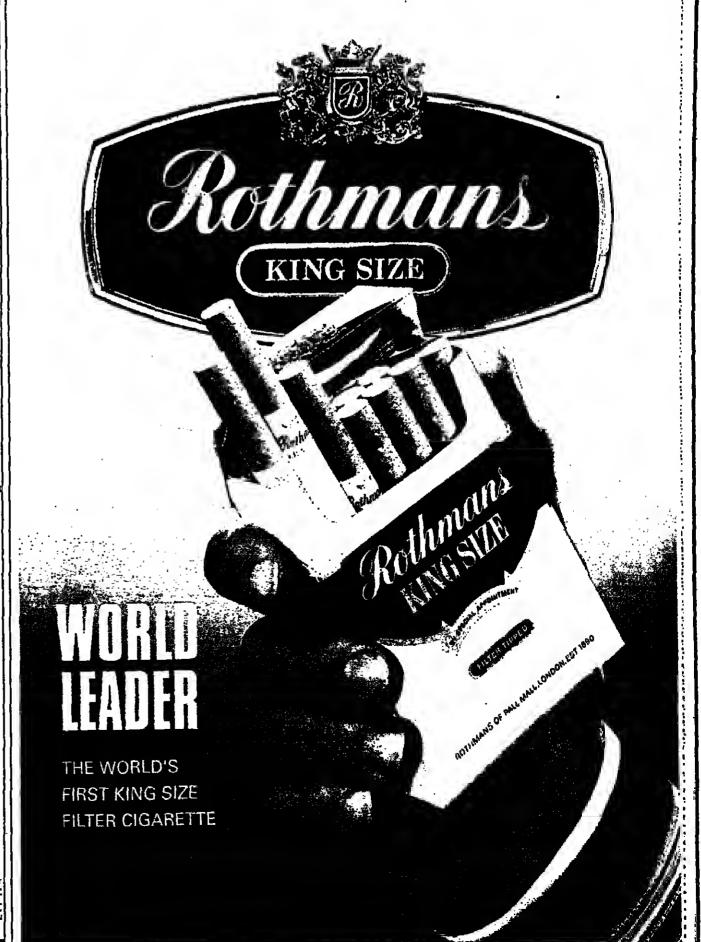
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Sweden (ormal)	S.Kr.	2,900		1,800
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# Trying to Pry Lid Off Pro-Iraq Policy

By R. Jeffrey Smith

WASHINGTON - The White House has struggled for about two and a balf years to control Iraqrelated disclosures that might embarrass President George Bush or call into question his policy of supporting President Saddam Hussein before Iraq's invasion of Kuwait, according to internal memoran-dums and other documents obtained by Congres

in late 1989, a White House attorney conducted an irregular inquiry into a potentially embarrassing Atlanta bank scandal involving Iraqi officials. The counsel for the National Security Council last year convened a series of meetings at which officials plotted to restrict congressional access to Iraq-related information. Cabinet members this year made a number of private telephone calls to Capitol Hill in an effort to fend off congressions subpoenas for documents.

At the request of one congressman, the Justice Department since last August has been conducting a criminal investigation into one facet of the administration's damagelimitation effort: a decision in late 1990 to alter subpoenaed Commerce Department records on U.S. exports to Iraq, which participants say was done with the approval of a senior interagency group super-vised by the White House.

"We did nothing wrong or illegal here," Mr. Bush said when he was asked on June 4 about his Iraq policy and the effort to manage the flow of information to Capitol Hill.

But all but one of the 21 Democrais on the House Judiciary Committee voted to tell Attorney General William P. Barr last week that they do not trust the executive branch to investigate its own conduct in the affair. They called for appointment of a independent counsel to "investigate serious allegations of possible violations of federal criminal statutes by highranking officials," including some at the White House.

The election-year demand expands the debate over the administration's pro-Iraq policy before the war. Legislators want to go beyond whether Mr. Bush should have been tougher on Mr. Saddam, analyzing whether the administration has acted improperly in quashing independent scrutiny of Mr. Bush's closed. It also wants to know if only position or halting a criminal inves- an independent counsel can be to Mr. Barnard as "commercial

tigation capable of provoking negative publicity about it.

Unlike many previous calls from members of Congress for an independent counsel, this one lacked

#### **NEWS ANALYSIS**

detailed allegations of wrongdoing. It cited instead a "growing impera-tive" created by "the willful and repeated failure of the executive branch to comply" with congres-sional demands for information that would fill in gaps and resolve inconsistencies in the tangled histo-

ry of policymaking about Iraq. Mr. Barr has until July 24 to decide whether the evidence warrants a preliminary investigation. But many administration officials

trusted to decide whether the administration's response to congressional inquiries extended beyond routine bureaucratic caution into outright illegality.

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Democrats' suspicions have been aroused by the following incidents: The Commerce Department has acknowledged that officials altered a computer file pertaining to interagency deliberations about U.S. exports to Iraq, before it provided a subpoensed printout of the file in December 1990 to the House government operations subcommittee on commerce, consumer and monetary affairs.

The computer printout was considered sensitive because it showed that the United States from 1985 to

Legislators want to go beyond whether Mr. Bush should have been tougher on Mr. Saddam, analyzing whether the White House has acted improperly in quashing independent scrutiny.

that the administration has been uncooperative. Thousands of pages of highly classified documents, many containing embarrassing information, have been surrendered to Capitol Hill. The House Banking ommittee chairman. Henry B Gonzalez. Democrat of Texas, has been reading some of them aloud on the House floor without regard to secrecy rules.

White House officials have refused requests to appear at conlegislators' questions.

Moreover, no one would argue that the administration's effort to prevent embarrassment bas succeeded. Mr. Bush has acknowledged mounting congressional criticism, based on the disclosures so far, and said the prewar policy of supporting Iraq. although well-in-tentioned, "didn't work."

The Judiciary Committee, in its demand, seeks to know whether more damning information about the administration's internal deliberations on Iraq remains to be dis-

dispute the committee's assertioo 1990 had licensed 771 exports of technology usable in both civilian and military applications, including t62 with potential nuclear ap-

> The alterations included removing references to interagency review of many export license applications. This left the impression that the licenses had been granted solely on the basis of Commerce Department review, when they had also been approved by the depart-ments of State. Energy and De-

The alterations also wiped out indications that some departments had initially opposed granting licenses for goods that could be used by Iraq for military applications. This made it appear that the administration supported license ap-provals more fully than was the

In other instances, Iraq's stated use for the equipment was altered in what officials say was an attempt House concern about the "embarto play down potential military ap- rassment level from the unfolding plications. Five approved licenses scandal, according to notes made of the control of vehicles designed by a Treasury Department attorney of the control of for military use" worth \$1 billion about a telephone conversation were listed in the records furnished with her one day before the approv-

utility cargo trucks" or "vehicles." for example. The trucks were ocver Rocard:

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Mr. Rich

sent to Iraq. Iain Baird, director of the Commerce Department's Office of Export Licensing, told investigators that there were "meetings with the White House to discuss the records, and Dennis E. Kloske, who was undersecretary of commerce, said be had spoken about them with a lawyer for the National Security Council, Nicholas Rostow, and with the office of the White House counsel, C. Boyden Gray, A Commerce Department attorney, Thomas Stillman, bas also stated that some of the alterations were discussed with the department's general counsel. Wendell L. Willkie 2d. But it remains unclear what role any of these officials bad in ap-

proving the final changes. Assistant Attorney General W. Lee Rawls told the Judiciary Committee that the 11-month-old inquiry is being pursued "vigorously and properly and was delayed only by the "unavailability" of Mr. Kloske, who was overseas for an extended period hut was recently located and interviewed by the FBL A former Gray aide bas acknowledged calling an assistant U.S. attorney from the White House in November 1989 about a sensitive Iraq-related bank scandal, creating what he and other officials now concede was the appearance of improper pressure on the attorney investigating the case, Gail McKenzie.

The scandal involved the funneling of \$5.5 billion worth of improper loans to Iraq through the Atlanta branch of the Italian-owned Banca Nazionale del Lavoro, some of which were guaranteed by the Agriculture Department so Iraq could buy food from the United States.

The aide, Jay Bybee, has said he cannot recall who ordered the inquiry, but said he remembers being concerned that the investigation might create "potential embarrass-ment to the White House" by implicating senior Iraqi officials at a time when the administration was preparing to approve \$1 billion worth of oew loan guarantees.

The Bybee call gave Ms. McKenzie an impression of official White

## AFRICA: Why Is One Continent Overwhelmed as Another Overcomes?

(Continued from page 1)

ison. For the last seven months I have lived in Kenya and traveled to seven other African countries. One, Somalia, bas ceased to be a functioning country. Zaire and Malawi are reeling under repressive dictatorships, and in Zaire, years of corruptioo and neglect have brought the official economy to collapse. Ethiopia and Uganda are struggling to emerge from decades of ethnic conflict and dictatorial repression that have driven their economies into the ground.

many ways is the saddest, since it has enjoyed 30 years of peace and considerable foreign assistance, but its economy has been ravaged by years of socialist mismanagement. Dar es Salaam, its capital, is in worse disrepair than Hanoi. The road system has collapsed. telephones do not work, electricity is sporadic and the store shelves are bare. Tanzania remains, by many estimates, the third-poorest

place on earth. Kenya and Nigeria, aloog with Ghana, represented hope in sub-Saharan Africa, but ocither has realized its potential. Both have seen economic advances canceled out by debilitating corruption. Nigeria bas often been compared to Indonesia - hig, diverse and oil-rich. But where Indonesia managed the oil boom of the 1970s successfully, and has begun to diversify away from its oil dependence. Nigeria used the boom years to borrow heavily, creating a debt burden that today constrains government action. And Nigeria, unlike Indonesia, remains dependent on oil for 95 percent of its export carnings and 80 percent of its budget receipts.

Africa today is on the economic sidelines. Its share of world markets has fallen by half since the 1970s. Africa accounts for a pittance of the world's trade, and the continent has actually seen its trade decline over the 1980s. African trade accounts for less than 0.1 percent of North American imports.

How did Africa reach its current predicament? What lessons, if any, does the East Asian

success hold for this troubled region? Africans themselves, when asked the questions, often point to a familiar list of reasons: The legacy of colonialism. Diverse ethnic groups within national boundaries. The longrunning East-West conflict. Small countries with fragmented markets. Widespread corruption. And more recently, the lack of popular participation in government.

There is absolutely no way you can achieve economic development without democracy. Mr. Museveni said

Yet many of the East Asian nations have had to contend with the same problems, and pre-cious few East Asian countries can be called democratic.

An answer, then, would seem to lie deeper. It may be found in the respective patterns of colonialism, in the economic choices pursued, and in the differences in the post-independence leadership that emerged in East Asia and Africa. As Mr. Museveni suggested, it may also be a question of differing cultural traditions.

Colonial Legacy

At a restaurant in Washington last year, a diplomat from Cameroon was explaining to a reporter the problem of Africa's black elite. Go to the cafes and the bistros, be said. See them in their European suits, reading the latest editions of European newspapers. The problem of African development, he said, is that the educated elite never developed indigenous models, but instead tried to transplant Europe to Africa.

Basil Davidson, a renowned British scholar on Africa, writes in his new book "The Black Man's Burden" how European colonialism in Africa set out to deny and eventually eliminate the continent's pre-colonial history. And in that, the Europeans found willing accomplices among Africa's European-oriented elite, the "modernizers," who were in constant conflict with Africa's "traditionalists," including the

acknowledged tribal chiefs. These modernizing Africans clung to the notion that anything traditional was by definition primitive. And it was this elite that came to the forefront of the independence movements, and proceeded to impose European models on their new African states. Rather than seek to build

on tradition, as the Confucianist societies of East Asia have tried to do even in their revolutionary phases, the oew Africans often sought to purge what was deepest and most authentic io their cultures.

Black African leaders also point to the deleterious effects of slavery, which robbed the cootinent of its hrightest and most able-bodied men and women for more than 300 years. Contrast that to East Asia. A common fea-

ture of Western colonialism was that it never managed to supplant historical tradition — be on education, the hierarchical respect for elders or the religious traditions of Confucianism, Buddhism and, in Indonesia and Malaysia, Islam, which had come later. Only in the Philippines did the Spanish friars succeed in converting most of the population to Catholicism.

After independence, many of the African countries became swayed by socialism, the ide-ology then in vogue throughout Europe. Theirs became an African variety, whether dubbed "humanism," in Zambia, or ujamaa, in Tanzania. But even in such avowedly capitalist countries as Kenya, the result became the same: government ownership of most enterprises, and a distrust of private-sector initiative and of

foreign investment. Asia found another way, with a brand of state-centered capitalism that was neither completely free enterprise nor dogmatic Marxism.

In a paper examining East Asian and African responses to the global debt crisis, a World Bank economist, Ishrat Husain, detailed how from the mid-1970s, East Asian countries adopted "outward" development policies, meaning liberal trade with low tariff barriers on imports, and realistic exchange rates that en-banced exports. This outward orientation allowed the East Asians to diversify their imports while the international competition improved the efficiency of its producers.

Africa, on the other band, pursued "inward" economic policies, throwing up trade restric-tions and maintaining overvalued currencies.

#### Land and Tradition

Herman J. Cohen, the U.S. assistant secretary of state for African affairs, found another reason that East Asia has largely prospered. They did all the right things - plus land reform," he said. By privatizing land holdings, East Asian countries saw agricultural produc-tion increase, Mr. Cohen said. In Africa, land was communally owned in traditional society and expropriated by the state after independence; prices for farm products typically have been set by state marketing boards.

In comparing East Asia and Africa, it has become fashionable among those who know both regions to say the key difference is that Africa has not produced a Lee Kuan Yew. As longtime prime minister of Singapore, Mr. Lee has come to personify the idea of benevolent authoritarianism, a paternalistic ruler who brooked no dissent but nonetheless guided his city-state into the ranks of East Asia's "little

Africa has had its share of towering figures. But by contrast, some of the best known -Tanzania's Julius K. Nyerere and Zambia's Kenneth Kaunda - ran their countries' economies into the grouod, Africa has also produced more than its share of dictators, tyrants and buffeens

To he sure, Asia is not without its corruption. But there is a difference between corruption Asian-style and its African equivalent. In Asia, the corruption has not been as debilitating to economic growth. In fact, corruption and growth seem to run parallel.

A Western economist in Nigeria, who used to live in Indonesia, put it this way: "In Indonesia, the president's daughter might get the contract to build the toll roads, but the roads do get built

and they do facilitate traffic flow." In Addis Ababa, Ethiopia, an official of the Organization of African Unity, Mamadon Bah, was explaining to a visiting reporter the problem of bringing more democracy to the continent. What we oeed in Africa these days is mainly discipline," he said, "but discipline

**Cultural Values** 

Any discussion of cultural differences beween Asians and Africans by definition treads on explosive ground, since it feeds on past racist stereotypes of Asians as hard-working and Africans as lazy.
"People work like dogs in Kenya," said Ma-

kau wa Mutua, a Kenyan exile at the Harvard University law school's buman rights program. "Nobody sits around waiting for mangos to drop from trees." He recalled how President Daniel arap Moi of Kenya once visited Asia and came back urging Kenyans to emulate the Asian example. "As a leader, ooe has to talk about discipline to get people to work harder."
Mr. Mutua said. "That is the stereotype of the Asian machine, that people work so hard. But I think that's pure garbage."

Still, many other Africans agree with Mr. Museveni and the OAU official that cultural factors do play a role in development. They argue that lack of discipline among African leaders is a particular problem. For even the hardest-working African has difficulty building a solid life if his country's political leadership is

Pauline Baker, an Africa specialist with the Aspen Institute, spoke of the "five bads" that she said help explain Africa's poor record of economic development. These include "bad luck, bad environment, bad policy, bad government and bad faith." The bad faith, she said, was that of Western governments that failed to deliver on expected aid and investment. She added that although cultural analysis has gone ont of fashion among academics, it may be appropriate to add a sixth factor: "bad out-

As examples of the cultural factors that enrich African life but may limit economic development, she cited "the role of the extended family" and "the role of tradition." In Africa, she ooted, "the real obligations are blood ties to the family or tribe, rather than national ties."

The extended family provides a private welfare system that helps take care of people, but it also limits the development of a middle class. It is typical, Ms. Baker said, that the first thing a newly wealthy city dweller does with his money is build a big house back in his village. In most Southeast Asian countries, discipline

has been imposed from the top. Singapore's People's Action Party under Mr. Lee has been highly authoritarian, micromanaging people's lives to the point of prohibiting chewing gum. In all the Southeast Asian countries except the Philippines, civil liberties are sacrificed as a sary price of stability - something Asians call the "social contract "

These Asian regimes draw support from cultural traditions that foster order, hierarchy and stability. The Confucian tradition, for example, is widespread throughout East Asia. It encourages a disciplined work ethic and a stable, stratified political system; it also reinforces the Asian emphasis on education, which is prized in disciplined, anthoritarian societies such as Korea and China almost as a secular religion.

Africa has had its share of anthoritarian regimes. But far from fostering discipline, most of them have led to chaos. Dictators who tried to enforce unity and discipline — Ethiopia's Mengistu Haile Mariam and Somalia's Mohammed Siad Barre are two examples - were overthrown in bloody revolutions; other African autocrats are teetering. The single feature of African autocracies seems to be their inabil-

ity to impose their will on their populations. Even when the military tries to impose political discipline from the top down, as in Nigetia. moral discipline remains lax among the top

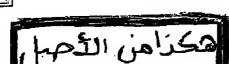
leaders and corruption is widespread. On the individual level, the question of discipline is more difficult to address. No one, for example, would say that the average farmer in Tanzania or Malawi does less work than his Asian counternart.

But if Confucianism is a key ingredient in East Asia, some African leaders are beginning to express similar themes in their own terms. As Mr. Museveni put it recently in Kampala, this is the time "for the people of Africa to take their destiny in their own hands."



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WALKER BERLENGT TO THE TANK OF THE TANK OF

BRIDGE: Centuries-Old Escape Stands Amid Rubble in a Bosnian City

eled, said he had lost his papers. He begged to

be allowed to cross to look for his wife. The

soldiers kept saying no and the man kept look-

ing away at the rushing green waters of the river, 30 meters (100 feet) or more below.

restful. The bridge, which legend says took 15

years to build, is whole and standing, although

its towers are pockmarked and a stone wall at

This is the time of year when young men dive

off it to show off, but on Saturday they all wore

combat fatigues and carried automatic weap-

the top has had a chunk gouged out.

Even with the city shattered, the river view is

## Rocard: 'Life' of The Party

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#### French Socialist Looks Presidential

PARIS - Michel Rocard, the former prime minister, appears to have bolstered his stature as the ruling Socialist Party's presidential front-runner with a strong perfor-mance at the party's weekend congress in Bordeaux

Commentators said that Mr. Rocaid, 61, a moderate whose popularity reaches well to the right of the Socialists, stood out at the congress largely because he appeared to be the party's last hope.

Paris newspapers described him variously as a "life raft" or a "lifebuoy" for President François Mitterrand's party, which sank to 18.3 percent of the vote in regional elec-

"Rocard fills the vacuum," said the conservative Le Figaro.

A former prime minister and party leader, Pierre Mauroy, said that Mr. Rocard had advanced from the status of "virtual candidate" — grudgingly granted in Jan-uary in a deal that gave control of the party to a Mitterrand protege, Laurent Fabius - to the stature of natural candidate.

Mr. Rocard roused a dull party congress in Bordeaux to a standing ovation on Saturday by declaring that young voters would desert the party unless it found them jobs.

Unemployment, edging toward 3 million, or 10 percent of the labor force, is the Socialists biggest handicap in the campaign for parliamentary elections next March.

This could be a bigger handicap even than corruption inquiries against Socialist legislators, mayors, party officials and now - according in Le Monde — against Henri Emmanuelli, the speaker of the National Assembly.

Mr. Rocard is a low-key reformist who was popular as prime min-ister from 1988 to 1991. He indicated that he expected a conservative victory next year and was counting on a public backlash two years later to sweep him into the presidency.

"What can be dooe between now and the legislative elections will inevitably be limited and open to contest," he said at the party congress. "The question of a realignment will be settled at the next presidential election."

Opinion polls suggest the Socialists will be lucky to score more than 25 percent in 1993. .

ADVERTISEMENT



DEMOCRACY CALL IN PRETORIA - A policeman talking Monday with a marcher, who carried a mock rifle, as 10,000 supporters of the African National Congress rallied to demand the resignation of President Frederik de Klerk. A petition was presented for an all-race government.

### CRIMEA: Newly Rich Live It Up Beside the Black Sea

#### (Continued from page I)

States. Many buy tourist packages or vouchers from their employers, but individual reservations are also

While a foreigner must pay \$60 a night for a single room, a Commonwealth citizen pays 1,800 rubles, not including meals.

"But this is already the new elite," Mr. Podkopayev said. Speaking frankly, an ordinary

person cannot afford to come here, and prices for our people are on the

Other hotel employees speak wistfully of the time when mostly foreigners came.

"These new mafia behave very badly," one employee said, nodding toward a large man with a mustache whose arm enveloped a voune woman in sunglasses whose skirt did not quite stretch far crough.

en 13

Y .7.

But Mr. Podkopayev knows a market when he sees one.

"Young people, businessmen and those working in foreign joint ventures want some fun," he said, He admits that the market is sometimes confusing.

That day, the hotel had run out of Georgian champagne at 300 rubles a bottle.

"The people bere drink it like water," Mr. Podkopayev said, "So we're bringing in truckloads."

#### daughters put down his papers saying he would be hack for them in a few hours, eager to fight. (Continued from page 1) destroyed old town. All but the very youngest Another, somewhat older and a bit dishev-

looked fearful.

"Where are you going? Why are you run-oing?" a young soldier asked a group of women leading 12 children and a lamb.
"The enemy are coming back," replied one of the women, holding a sleeping infant and trail-

ing a shopping cart behind her.
"Nonsense," said an officer manning a checkpoint at the western end of the bridge. The enemy are far away. Your villages are

"We are afraid," the woman said, Just then, an explosion could be beard, unmistakably the sound of a mortar. The soldiers abandoned their attempts to keep the villagers from fleeing. Most of the refugees made their way across the mountains to Croatia, where

people pass. Young and middle-aged men were permitted to escort their families across only if

they left their identification eards. When an officer explained that all able-bodied men were needed to help secure the high ground beyond the city, one man holding two

close to half a million people from Bosnia have been given sanctuary and shelter.
The troops let the women, children and old to talk of what had happened to her in the last

At a quiet arbor that looked out upon the bridge and the remains of the old town, Emina Maric, a farm woman with sad eyes, was among those drinking coffee as workers tried to hook up phone lines. Yes, she said, she would be glad

three months. "In April, I was in our village over there," she said, speaking in Croatian and pointing toward a mountain. "My two sons were fighting for

Bosnia. The enemy came and arrested my busband. I have not seen him. I do not know where he is, I came here, and then I went to be a refugee in Split. Last week, I heard that we

could come back and so I came back. "I went to see what had happened to my house. Nothing was there. Everything was sto-len and burned. Now I am going back to be a

refugee in Split. All I can do is hope for my husband, hope for my sons." The prewar composition of Mostar was 35 percent Muslim, 34 percent Croatian and 19

percent Serbian. Some 12 percent designated enselves Yugoslav, a relatively large number that reflected the city's cosmopolitan sense. Every religious structure has been badly

damaged. The big Roman Catholic church and the bishop's residence were demolished in early The Serbian Orthodox church at the far east of town was smashed badly by Creatian forces.

One of the Croats with the troops said orders had been given to leave the Orthodox church alone in order to score a propaganda victory.

"It was untouched until almost the very end. and then I guess some of our guys could not control themselves," a Croatian soldier said.

#### RATES: Financial Markets Wary of Rate Increase by the Bundesbank

#### (Continued from page I)

the German Finance Ministry, said the EC ministers had expressed their concern during closed-door talks on the economic health of the

But a spokesman for the German minister said Mr. Köhler added that the ministers accepted that Germany had its own economic problems to deal with and that any rate decision would be made by the independent Bundesbank alone. "The government is not wishing

for, or asking for, stricter measures," the spokesman quoted Mr. Köhler as saying. In London, Prime Minister John

Major, under renewed pressure to seek a devaluation of the pound within the EMS, effectively ruled out such a move, saying Monday man news organizations have been

that it would yield only "very shortterm" gains. Critics say EMS membership has prolonged the British recession, which is entering its third

The Bundesbank also came unter pressure in Germany when Friedel Neuber, chief of the German Association of Public Banks and president of Westdentsche Landesbank, said Monday in Bonn that the central bank should clearly outline its monetary policy to avoid fueling speculation in the markets.

Mr. Neuber also said at a news conference that he was counting on a statement in which the Bundesbank's policy-making council "explains that it sees no further need to act in a period of high interest

rotes.

Monetarist hard-liners in Ger-

calling for further monetary tight-ening ever since the May M-3 data made is all but certain that the Bundesbank's 1992 M-3 growth target was beyond reach.

Speculation took a new turn Thursday, when the influential Frankfurter Allgemeine Zeitung newspaper said the Bundesbank was considering putting a lid on the amount banks could borrow at the 9.75 percent Lombard emergency funding rate for borrowing by commercial banks.

The Bundesbank called the report unfounded speculation but did little to quash speculation on other forms of tightening.

"They're so concerned about their credibility, but they can't af-ford to make a mistake," said Alison Courell, economist at Midland Montague Research. "If they make

a rate move and M-3 is still high, they will lose credibility."

Analysts said a further increase in the Lombard rate, which usually forms the ceiling for short-term German money market interest rates, was the least likely option for the Bundesbank.

That would immediately drive up the value of the mark, create potential chaos within the EMS and do little to address the Bundesbank's central problem of excessive

monetary growth. Ever since the Buodeshaok raised both the discount and Lombard rates by half a percentage point last December, investments have been flooding into exactly those short-term deposits that belp

(Reuters, Bloomberg, UPI, AP)

## RABIN: Israeli Offers to Visit Arabs, and He Invites Them to Jerusalem

#### (Continued from page 1)

about Sewish settlements in the occupied West Bank and Gaza Strip.

He has promised in scale back the settlements while shifting government money from the territories to economic and social needs. His government, he said, would "refrain from any steps and activities that would dis-

rupt" the peace talks, a reference generally understood to mean settlement building. But as in the election campaign, he pledged to "enhance and strengthen Jewish settlement"

in and around Jerusalem and along "the lines of confrontation," which he has defined as the Jordan Valley and the Golan Heights. It was not clear if the distinctions he draws

between "political" and "security" settlements will be accepted by the Bush administration, which has insisted on a complete freeze.

Although he emphasized peace, Mr. Rabin, a

former general and defense minister, warned that his government would "strike hard, with-out flinching, at terrorists and those who abet He also cautioned, without specifics, that that Israel's political drift is inexorably right-ward, he and his party are back on top, if not

Israel was committed to "thwarting any possi-bility" that its Arah neighbors might acquire nuclear weapons. Turning to the economy, Mr. Rabin said he would reduce Israel's 11.6 percent unemploy-

ment rate, create jobs for oew immigrants, sell government-owned companies and improve a troubled public-school system. But exactly how Labor's economic programs would differ from Likud's - if at all, given

both parties' past reliance on state control was left to be filled in later.

The events on Monday capped a dramatic political comeback for the 70-year-old Mr. Rabin, the only native-born prime minister in the

ist Meretz bloc and the Shas religious party, which resisted strong pressures from rabbinical authorities to quit the alliance because, in the rabbis' opinion, it is hostilely secular.

make up M-3.

country's history. He had held the position for three years, from 1974 to 1977, only to be

forced to give it up amid a personal scandal and

quite as firmly as they would prefer.

Their coalitioo controls 62 seats in the 120-

member Knesset, including 18 held by the left-

Now, in the face of many political forecasts

an overall Labor collapse.

■ Baker Applands Rabin's Offer
Secretary of State James A. Baker 3d hailed
Prime Minister Rabin's offer on Monday to go to Arab capitals in search of a breakthrough in the Middle East peace process, Renters reported from Washington.

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## I am a "Believer"

As a child I played with other children -2 kinds - boys and girls. They would grow up to he mommies and daddies like my parents. When I reached school age I discovered that there were 3 kinds of boys and 3 kinds of girls - protestant, catholic and jewish. They would grow up to be either protestant, catholic or jewish parents.

I would have wanted to be what most kids were. But, my parents explained that when asked about my religion I should answer: "I am jewish."

This did not bother me too much until I was separated from most of my friends when they attended Sunday school. And on Xmas I found myself wondering why Santa Claus was for all children and Jesus Christ only for them. If Jesus was such a wonderful man why was I not free to join my friends in their admiration for him?

I could hardly wait to grow up. Then I would make up my own mind as to what I would want to he - a policeman, a fireman, a doctor. It would be up to me to marry the girl of my choice, and it seemed clear to me that everything concerning my adult life would ultimately be decided by me.

Only many years later did it dawn on me that this is not so. Already at the time of your birth, others make a decision for you which will retain unalterable validity throughout your lifetime. Before you can see, before your brain develops, others assign a religion to you as if this were their unquestionable right or duty. With this religion you will be identified forever. No matter whether you practice this religion, no matter whether you abandon it (which will be held against you). No matter whether you would rather be guided by philosophers than by ministers, priests ur rabbis. No matter whether you think that separating human beings is detrimental to mankind, and that it cannot be God's will to have different religious groups - each claiming to be Number One with God - pray to HIM or HER.

When asked about our religion we are still supposed to either name one of the well-known religions or admit, somewhat embarrassed, that we are not religious.

What about those of us who believe in God but not in man-dividing religious organizations? Those of us who see religious education as an initial stage in our lives from which we must graduate to a higher level - a conscious, direct affinity with God that governs our thoughts, activities and decisions every minute of our existence. Those of us who have no sincere desire to repeat the text of printed prayers just as we feel no need to look at our shool books anymore.

Let us give our questioners a very simple, uniform answer and tell them proudly: I am a "Believer"! And until this answer is widely understood let us explain:

A "Believer" believes in God but prays to God alone in his own way or with his fellowhuman beings in a House of God where no particular brand of religion is promoted. A "Believer" feels inner resentment when members of the religious profession treat him

or her as a child or an inferior. A "Believer" feels repelled by anybody's attempt to pose as God's authorized representa-

A "Believer" will bow to no mortal - only to God's voice in his or her God-given conscience.

"Believers" will exchange their thoughts about religion anytime, anywhere whenever the occasion arises — simply as human beings, not as members of any organization.

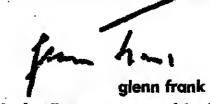
Only "Believers" can free themselves from indoctrination and embark on the overdue task of dealing realistically with tradition, eliminating the outdated and retaining the good.

Only "Believers" will find the strength in themselves to finally challenge the false claim that we were born protestants, catholics, jews. hindus, moslems, buddhists or what have you. No one was ever born with a religion. God created only one human specimen — the human being

and that is what we are when we are born. Above all we must ask ourselves this question:

Do we behave - in word and action - as decent human beings?

The greatest deterrent to decent behavior is prejudice. "Believers" must speak up courageously against any form of prejudice to rid the world of our religious, racial and color problems.



"Since "I am a 'Believer'", my husband's essay, appeared in the International Herald Tribune a year ago. violence, brutality, bloodshed and fanaticism have increased. I am pleading from the bottom of my heart with everyone reading "I am a Believer". Stop fanaticism!

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## The Future May Be Now For Flamboyant Mugler

Show-Biz Style, Stiletto Cutting in New Couture Line

International Herald Tribune

ARIS — "Countre is freedom, a silhouette, research — and how to make women look better," says Thierry Mugler. "For me it is more a spirit than the idea of something that has to be done by hand by one person. But I believe

that couture has a big future. Mugler is poised to launch his first couture collection on July 28 during the Paris season. It will not be conture as loftier houses understand it, but a mixture of the wacky show-biz drama that has given him a wild-boy reputation in ready-to-wear, and stiletto-sharp cutting. That incisive tailoring has already won him sober provate clients, from Danielle Mitterrand to her husband

#### SUZY MENKES

the president, who wore a crisp Mugler safari suit to meet President George Bush at Camp David.
"Countre will make me do things I haven't done

before — that's the beauty of it," says Mugler, dressed in his signature broad-shouldered jacket in bright orange, a black sweater and with deagner stubble.

I am concerned that it should be wearable. For me it is an exercise in showing cut and clothes — it will be less of a stage production," says Mugler, whose fashion spectacular last October had Ivana Trump on the number of the production of the stage of way dressed for the wildest West. She repeated her performance at an AIDS benefit in Los Angeles in April, and Mugler claims that Trump blasted the house," winning more applause than Sharon Stone in a

dominatrix patent leather catsuit. Mugler, 43, born in Alsace in eastern France, a former ballet dancer and part of the avant-garde readyto-wear fashion that marched through Paris in the 1970s, has always had a penchant for show biz. At a pop stadium in Paris, be had the Andy Warhol model Par Cleveland, positively pregnant, being lowered like an archangel from a blue firmament. Other shows have featured Diana Ross, the New York cabaret artist Lypsinka, models dressed with poison-green ganzy wings as bad fairies — and an outfit made out of a metallic carapace molded Rice a Harley Davidson. Even Mugler's boutique on the Avenue Montaigne looks like a set from Star Trek.

"I have always been in advance and too strong," says Mngler, "The comeback of glamour was something that I showed against the tendency of the times. Before it was fashionable, I had a sense of spirituality with angels and holy music, I am not recognized for what I have

Now, after 19 years of making waves, Mingler has a chance to catch the flood tide of celebrity. In September be launches his first fragrance with Clarins — a fact that was probably the canalyst for the conture collection, although he denies it. He will also move in the fall to the 11th arrondissement in Paris, where Chairman Didier Grumbach says that all Mugler's activities — women's and men's ready-to-wear, the secondary commercial lines, the accessories, the fruitful licenses and the atelier for made-to-order - will be united.

The Thierry Mugler business grew in the 1980s from sales of 5 million francs in 1981 to 162 million francs in 1991, including 34 million francs in royalties for licenses from eyewear to hosiery. Throughout the expansion, Mugier has kept his image as clear and fresh as the sky blue that he has made his trademark, along with moon-

glass silhouettes are fashion caricatures: powerful, sexually provocative women who are in control of their destinies. Such a projection of female power seemed extraordinary in the 1970s; it fits with the age of

"It was shocking at the time," admits Mugler, "when It was snocking at the time, annual ranges, what I started I5 years ago making pockets that followed the cheeks at the back. I have always followed the body, Madonna. drawing the lines on the person." In the studio he used to take a felt pen to the fabric itself and then slice in its tracks, although he now uses a new tailor's chalk from Japan which does not leave such devastating traces when the line has to be corrected. Mingler's skill at cutting is impressive ("I am not embarrassed with technical problems - most things are possible") and it gives his signature suits a structured silhouette. High-profile clients include Liza Minnelli, Liz Taylor, Princess Stephanie of Monaco and Tom Cruise.

Mugler's designs can seem retro - echoes of Silver Screen Hollywood, where his heroes are costime designers Edith Head and Travis Banton. Mostly the clothes, shown with hair sculpted high and space age: silver accessories, look futuristic.

An example of Mugler's forward-looking vision is the series of fashion photographs he took in Russia in 1986 before the Iron Curtain was smelted. Tiny figures, alone in a universe of arching sky and monumental architecture, were captured in Mugler's camera lens — he is a fine and dedicated photographer after labyrinthine negotiations with the Communist

Thierry Mugler defies space, said Jack Lang in a preface to the 1988 book. There is in his photographs serene gravity, a lyrical joy, a graphic perception bich reaches purity. . . in his fashion, as in his which reaches purity. In his fashion, as in his photographs, there is room only for perfection and

HE photographs are heroic: a tiny figure dancing on the point of a red star sculpture in Volgograd; a couple at the base of a sourne Moscow monument to the cosmonant Yun Gagarin, or dwarfed by a Socialist Realist statue. His pursuit of woman in a vast universe has taken him to Monument Valley in California, to the Chrysler Build ing in New York and to the Paris Geode, when a model dances like a pinhead on the globe.
"I was fascinated by something that was bigger than

what humans can do — that makes me dream, says Mugler. In his childhood in Strasbourg his memories are of days speni in the shadow of the medieval cathedral when he skipped school, and of ments when he ran out of his home after rows with his parents and looked up at the vast vault of the sky.

His enthusiasm as a photographer is also for being. movie-director and metteur-en-scène. He has just escaped - ego bruised and trust shaken - from a film project with George Michael, which was supposed to have raised awareness about AIDS, but which was smoothed into an anodyne pop video.

Mugler started his career aged 15 as a dancer with the Rhine Opera in Strasbourg, and made clothes for himself and friends until he found that he could make more money in a month than his doctor father. He was fascinated by the "magical, ephemeral world backstage," and the power of the dancers ("all of them like goodesses") to transform themselves at the front of the house. He now dreams of staging his chadite show backstage at the Paris Opera house. backstage at the Paris Opera house:

Monique.

Monique.

Mugler's vision of woman is often considered sexist.

Aithough Danielle Mitterrand and Monique Lang always stay the course of shows that texter on stileto helis above an abyss of bad taste, feminist fashion editors have been known to flounce out. Yet Mugler's hardedged women with their Barbaralle.

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> International Herald Tribune adr <u>wnrk</u>

## **Bohan Sees Red** For Hartnell

ONDON - Marc Bohan is seeing red. A mohair car coat in juicy red over a tomato crepe pantsuit opened his couture autumn/winter show for Hartnell Inspired perhaps by the red outfits be has created for the hostesses at the Monaco avilion at Seville's Expo, half the Harmell collection was in shades of red, from a scarlet crepe suit with animal print blouse to a flame taffeta ball skirt opening over slender

"I'm in the mood for red," said a sunny Bohan, receiving congratulations after the show from women who announced themselves seduced by the new longer hemlines.

Bohan, brought up on the cut and fit of Paris conture, made a good joh of re-casting his silhou-ette. Jackes were long and lean, caressing the body. Skirts either flared out, stopping above the knee, or they were long and lean, with buttons at the back. The pro-portions worked especially well for evening clothes, which were mostly calf-length — a slender red cloque dress or a column of gold lace. Even at night the look was finished off with high-heeled ankle boots and matching hose, giving an attennated line. "I like the new look - it's good

to have a change," said Hayat Pa-lumbo, wife of the property developer Sir Peter Palumbo. Other trends were for evening

dresses in cocktails of different fabries and for a corset-bustier worn over a sheer or lacy top rather than

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over bare flesh, which might be a bit much for conservative British

The Hartnell show rounded off a brief week of London couture, which included a social gathering at lunch by Anouska Hempel, and shows by Hardy Amies and Victor Edelstein

"But Marc is the star," claimed Pilar de la Béraudière, French-born but living in England. "It's unbe-

Try a mohair car coat in juicy red over a tomato crepe pantsuit.

lievable what he has achieved in this country setting up an atclier in The Hartnell show was pretty

and professional without breaking any new fashion ground. But the house is having as much trouble as dowager Parisian names in turning a mild succès d'estime into a substantial business. In the other sense of the word, Hartnell is in the red. Managing Director Manny Sil-

verman says that England is "going through one of the most difficult depressions" and cites the effect of the economic catastrophe at Lloyds of London on once prosperous customers. He admitted Friday that Hartnell is hoping to do a deal with Designer Originals, a mass-market clothing company that would put out a lower-priced line selling at under \$250. Designer Originals currently has a range by David Emanuel, who rose to fame as one of the parmers who created Princess Diana's wedding dress in 1981. but has had difficulty in building on an exclusive conture business.

Suzy Menkes

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TUESDAY, JULY 14, 1992

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## INTERNATIONAL STOCKS

## Some Investors Now Bet Worst Is Over in Japan

By Jonathan Fuerbringer New York Times Service

OHN KOENEMAN is back in Japan, a signal that there are some prominent tovestors who think the worst is over in the world's second-largest stock market, Mr. Koeneman, managing director of Koeneman Capital Management in Singapore, says his computer-driven analysis has given him a green ight on Japan for the first time in more than two and a half years.

"So far, the methodology has worked very well for us," he said in an interview while in the United States last week, looking for new clients beyond his Australian-dominated core. "The Japanese market may not reach bottom for three to six months. But we cannot find a compelling reason not to adhere to our discipline

It may not sound like a ringing endorsement of this market whose main index, the Nikkei 225, has fallen nearly 60 percent since its all-time high at the end of 1989. (The Nikkei rebounded Monday, regaining 418.01 points or 2.5 percent to finish at 17,201.73, its first close above 17,000 to a month. But volume was extraordinari-

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One gauge of expected return is higher for Tokyo than New York.

ly light at 180 million shares.) Mr. Koeneman, whose firm manages a total of about \$400 million, has raised the portion of his global portfolios to Japanese stocks from 5 percent in April to 23 percent now.

What changed Mr. Koeneman's view on Japan is his analysis of expected returns from stock markets around the world. This gauge measures growth above a base that equalizes for the different investing risks among markets. It includes price/earnings ratios, the level of the yen, interest rates and other factors he said have been crucial in driving stock markets' past performance.

The expected return for Japan has been negative for years. But all of a sudden it is back in positive territory and has swept past the United States, where the gauge is declining. In fact, Mr. Koeneman is getting the money to put into Japan by selling some of his stock in the United States.

IGHT NOW the expected-return gauge for the Japanese market is 1.27 percent for the next month, compared with 0.77 percent for the United States. That makes it far better than Germany, which is at 0.19 percent, but not nearly as good as Hong Kong, the go-go market of the year, at 3.77 percent. But it was enough to nudge him back into the Japanese market.

Among the stocks he has bought are Chubu Electric Power, Ito Ham Foods and Hokkaido Electric Power. He also likes Suzuki Motor Corp., which he sees as a bet that the export market for four-wheel-drive vehicles to the developing world will be strong. The sectors he likes are utilities; some exporters, despite the strength of the yen, and consumer stocks, like food companies. In June, his Tokyo investments fell 5 percent, while the market as a whole, as measured by the Topix index of more than 1,200 stocks, was down 10 percent,

Mr. Koeneman's decision to reinvest aggressively is not swayed by the shaky outlook for corporate earnings in Japan. Typically, a market will head up before you see an upturn in earnings," Mr. Koeneman rejoins. But while his investment direction has changed, others are not budging.

Berton Biggs, the global investment strategist for Morgan Stanley & Co., has been bearish on Japan for some time. He now believes that the Nikkei index could fall as far as 12,000.

Mr. Biggs acknowledges that the market as a whole "is around fair value," when using 1992 earnings, cash flow and the current level of interest rates. These indicators, he said, are for normal times. But things are not normal in Tokyo right now. The market is in the decline that follows the ending of a major speculative boom. And by Mr. Biggs's calculation, this process should bring the market down by 70 percent to 95 percent from its all-time high.

At the same time, Mr. Biggs said his Morgan Stanley colleagues London, who specialize in finding stocks at good values, are huying in Japan again. They are picking among the export stocks, like Matsushita Electric Industrial Co.

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## **Twisting** Of Arms By WPP

#### **Debt Deal Urged** On Shareholders

Compiled by Our Staff From Dispatches
LONDON — WPP Group PLC
told its shareholders on Monday they had little choice but to accept a debt restructuring that was likely to vastly reduce their stake in the advertising company, and it picked Gordon Stevens, chairman of Scholl PLC, to replace David Ogilvy as its chairman.

The invitation to Mr. Stevens, a former director of Unilever Group, followed reported pressure by banks for a new chairman. The nonexecutive position has been held by Mr. Ogilvy, 81, since WPP acquired his company, Ogilvy & Mather Worldwide, for \$862 million in 1991.

Day-to-day operations remain under Martin Sorrell, the WPP chief executive, who built the company through a string of acquisitions in the 1980s that gave the erstwhile Wire & Plastic Products Ltd. control of such advertising giants as J. Walter Thompson and Ogilvy & Mather, plus public relations units like Hill & Knowlton.

Mr. Sorrell's acquisitions also gave the company a heavy debt bur-den, now about £475 million (\$911.8 million), and the company said it must turn to its bankers for relief,

Under the proposed restructuring, the outline of which was an-nounced July I, banks are likely to end up with between 47 and 52 percent of the company in return for canceling \$271.6 million of debt. They would get 239.54 mil-lion WPP convertible preferred shares with voting rights and a minimum 2 percent dividend yield.

But WPP sweetened some of the terms of the deal for equity inves-

the bankers have agreed to restrict their voting stake to 25.1 percent. The holders of convertible preference shares now control 78 percent of WPP, and they revolted over the original plan. Now, these investors will be able to convert their shares at a ratio of 5.1 times their original entitlement, up from the 4 times

tors, especially for holders of current

convertible preference shares, and

previously proposed. This means holders can get 750 common shares for each 1,000 pref-

See WPP, Page 11

## Rate Margins Bolster Profit at U.S. Banks

NEW YORK — J. P. Morgan & Co., Chase Manhattan Corp. and First Chicago Corp. on Monday reported higher second-quarter earnings, aided by big interest-rate margins and profitable dealings in foreign exchange and Treasury

J. P. Morgan said its net income rose 67 percent, while Chase Manhattan reported a 15 percent rise and First Chicago said profit rose 19 percent in the quarter.

The results were another sign that banks, after paring thousands of jobs and writing off billions of bad debts during the past three years, are returning to profitability," said Thomas Hanley, banking analyst at First Boston Corp. Profits rose mainly because the difference between the interest the banks charged on loans and the interest they paid to raise money increased, as the Federal Reserve drove money market rates ever lower. These were probably the best margins I've seen, and I've been doing this for more than 20 years," Mr. Hanley said.

Analysis generally had expected bank earnings to improve as falling interest rates and a stabilizing real estate market offered a better outlook for the industry.

The banks' share prices did oot reflect the higher earnings.

Richard Levine, senior banking analysi at Standard & Poor's Corp., said the shares' weak performance was based on expectations of even higher earnings. The numbers are good, but I think people were hoping for more," he said.

J. P. Morgan shares fell 12.5 cents, to \$61.50 on the New York Stock Exchange on Monday; Chase (ell \$1.25, to \$27.875, and First Chicago (ell 62.5 cents, to \$35.875.

Mr. Levine said Chase's shares were hardest hit because of the source of the bank's profits. "Some of Chase's profits came out of trading, foreign exchange trading and securities trading, which are temporary investments not valued as highly by investors," Mr. Levine said.

Analysts said they expected the benefits of low interest rates to be seen to other banks' second-quarter earnings. Lower interest rates are more than offsetting the effects of the weak economy," said Mr. Hanley of First Boston. "For banks with commercial real estate loans, these loans are continuing to be a drag, but they are not worsening."

J. P. Morgan, the fifth-largest U.S. banking company and parent of Morgan Guaranty Trust Co., reported net income of \$385 million, or \$1.94 a share, for the quarter, up from 5231 million, or \$1.17 a share, in the year-earlier period. The bank cited good performance in corporate finance and continued strength in investment management, operational and credit-related business.

"Business is growing in the direction we intend, based on the strategy of carefully focused diversification we've fol-lowed for some years," said Chairman Dennis Weather-stone. "We are very pleased with the results."

J. P. Morgan's profits were especially strong because, unlike the other two banks, it has very few real estate loans.

Net interest revenue totaled \$434 million, up 23 percent, as the bank took advantage of lower short-term interest rates for U.S. dollars.

The New York-based bank said trading revenue rose 22 percent, to \$287 million, led by increases in the trading of swaps and other interest-rate contracts, and foreign exchange. Chase Manhattan, the sixth-largest U.S. banking compa-oy and parent of Chase Manhattan Bank, reported net income of \$152 million, or 83 cents a share, for the quarter, up from \$132 million, or 80 cents a share, a year earlier.

ase attributed its improved results to a 5 percent gain in net interest revenue, to \$878 million. The New York-based bank said its provision for loan closses rose 11 percent, to \$295 million for the quarter. Chase a pegged the higher provision to a weak economic outlook and

depressed commercial real estate market. Chase said its overall outstanding delinquent loans totaled 2

\$4.5 billion for the second quarter, down slightly from \$4.6 "

billion the year before.

First Chicago, the 10th-biggest U.S. bank, reported net a income of \$68.2 million, or 79 cents a share, for the quarter, and the state of \$68.2 million, or 79 cents a share of \$68.2 million. up from \$57.3 million, or 79 cents a share, for the quarter, up from \$57.3 million, or 73 cents a share, a year earlier. Net interest income gained 9 percent, to \$300.9 million, but that was offset partially by a 17 percent increase in its loan-loss provisious, to \$105.0 million.

Chairman Richard L. Thomas said the commercial real.

estate market had not yet stabilized and that the bank was examining ways to dispose more quickly of troubled office buildings and other properties. (AP, UPI, Bloomberg)

## Fujitsu, AMD Join to Make 'Flash' Chip

By Andrew Poliack

New York Times Service TOKYO - In the latest of a rash of international alliances transforming the semiconductor industry. Advanced Micro De-vices Inc. and Japan's Fujitsu Ltd. announced Monday a \$700 million joint venture to develop, build and market a new type of

fastest growing products in the industry. The agreement came the same day as International Business Machines Corp., Toshiba Corp., and Siemens AG confirmed a three-way collaboration to develop a different type of memory

memory chip that is one of the

Both alliances, as well as several other recent ones, are the result of the mushrooming costs of developing and producing advanced computer chips. An advanced factory can cost more than half a billion dollars,

"Now all global competitors — be it IBM, Siemens, Toshiba, AMD or Fujitsu - recognize that it's better to take on a partner and earn a return," said W.J. Sanders 3d. chairman and chief exective of Advanced Micro. The web of alliances could also

help ease trade tensions. Ameri-

can and other non-Japanese semiconductor companies are far from achieving the 20 percent share of Japan's semiconductor market as is called for in a trade agreement between the United States and Japan.

On a more subtle basis, it becomes tougher for American companies to maintain a hard line against their own partners.

computers today.

NEW YORK - International Business Ma-

chines Corp. confirmed on Monday an alliance

with Siemens AG and Toshiba Corp. to develop

development of 256-megabit chips that will have 16 times more capacity than the chips used in most

Development teams from the three companies

will begin work at IBM's Advanced Semiconduc-

tor Technology Center north of New York City. Siemens and Toshiba will also conduct work at

The development team will focus on the pro-

cess technology for fabricating features a mere

quarter-microo wide -400 times narrower than a

The project will involve more than 200 research-

human hair," the companies said in a statement.

their own facilities, the companies said.

The companies said they will cooperate in the

the next generation of computer memory chips.

After charging that Japanese companies sold chips in the U.S. market at illegally low prices to 1985, Advanced Micro Devices will now be making those same chips with a Japanese company.

Although he still calls for the

20 percent goal to be met, Mr. Sanders, one of most outspoken about Japanese dumping in the past, said Monday: "I believe the tion is the future." In the long run, such alliances

world has changed and globaliza-

have the potential of shifting competition from a national basis to a company basis. Instead of the United States versus Japan, the Inture might be more of IBM-Toshiba versus Advanced Micro-

Fujitsu.
The alliances differ in struc-

Other terms and conditions of the project were

The announcement of the cooperative develop-

ment will have "no effect in the short term" on the

market or on the share prices of the three compa-

nies, said Boris Petersik, technology sector analyst

at Barclays de Zoete Wedd (Japan), since produc-

tion is not expected to start until the end of the

agreement "contributes to future applications in telecommunications and industrial fields far be-

youd the turn of the century and assures our

customers of our engagement in microelectronics."

"This creative triangle will create a 'super mem-ory' chip that will accelerate new business areas,"

said Tsuvoshi Kawanishi, senior executive vice

Kartheinz Kaske, president of Siemens, said the

dynamic random access memory chips capable of storing 256 mil-bon bits of information. There has been nothing said about manulacturing such chips, which are expected to reach the market near the end of the decade. The agreement in principle be-tween Fujitsu, which is Japan's

ture. IBM, Toshiba and Siemens

will cooperate on development of

largest computer company, and Advanced Micro, which is the IBM and Partners Clinch Deal

fifth largest American semiconductor producer, is more comprehensive in that it involves manufacturing and marketing as well Fujitsu and Advanced Micro will each contribute \$350 million

to build a factory in Japan that will make flash memory chips, a hot new product, as well as a related type of chip known as crascable programmable read-only memory, or EPROM. Production is expected to begin by the end of 1994. Flash memories are considered

one of the most exciting products in the computer chip business. Sales are expected to grow from \$130 million in 1991 to \$1.5 billion in 1995, according to market researcher Dataquest. Some See CHIP, Page 11

<u>The</u>

#### president of Toshiba Corp. "We are delighted to play a part in this agreement which implements See ALLIANCE, Page 11

## China Boosts Stake in Cathay Deal Opens Doors for Hong Kong Carrier

By Laurence Zuckerman International Herald Tribune
HONG KONG — Two Chinese | Table | Tabl

state-owned companies agreed Monday to purchase a 10 percent stake in Cathay Pacific Airways Ltd. from HSBC Holdings Ltd., in a move analysis said would bein ensure the future of Hong Kong's flag carrier after the colony reverts to mainland rule in mid-1997.

China National Aviation Corp. and China Travel Service (Holdings) Hong Kong Ltd. said they would each buy 5 percent of Cathay Pacific for a total of 3 39 billion Hong Kong dollars (\$438.3 million), or 11.80 dollars a share. Once the deal is completed, the

two companies, along with China International Trust & Investment Co., or CITIC, which bought a 12.5 percent stake in Cathay in 1987, will own 22.5 percent of the airline. "It's clearly favorable from Ca-

thay's perspective," said Sheldon Kasowitz, an analyst with Jardine Fleming Broking Ltd. "Having strong backing from the govern-ment who will be overseeing your future bilateral treaty negotiations is significant." David Bell, the airline's chief

spokesman, said the deal may give Cathay Pacific an opportunity to participate in the development of tourism in China.

The sale ends the 21-year invest-ment in Cathay Pacific by HSBC, parent of Hongkong & Shanghai Banking Corp. It delivers a 3.16 billion dollar capital gain, which analysts say will help offset the costs of the bank's recent £3.9 hillion (57.4 hillion) takeover of Midland Bank PLC.

The sale price is only a slight discount to Cathay Pacific's Friday close of 11.90 dollars. On Monday, the company's shares closed at 12.60 dollars, up 70 cents, while HSBC shares hit a high for the year of 52 dollars, up 3 dollars. Analysis said the elimination of

HSBC's remaining holding to the airline may help firm up Cathay Pacific's share price by removing the expectation to the market that HSBC will sell off a large block of shares at a substantial discount. Last year, HSBC sold 6.58 percent of the airline in two placements. Cathay called the investment by

China "a positive development both for the airline and for the future of Hong Kong," adding that it would help further London and Beijing's agreement in the 1984 Joint Declaration on the future of Hong Kong that the colony should remain a center for regional and international aviation after 1997.

China National Aviation Corp. is a unit of Civil Aviation Administration of China. Beijing's top air-

Service (Holdings) Hong Kong has decentralized and become Ltd is a subsidiary of China's state more market-oriented in recent

domerate controlled by the Swire gressive entry into China by the amily of Britain.

mately 46 and 43 percent respectively of Hong Kong Dragoo Airlines Ltd., the colony's second commercial airline.

in the colony's stock and property Kong's largest foreign investor. cause aviation is Mr. Kasowitz of Jardine Flem-core businesses.

line holding company and regula-tory authority. China Travel China's aviation industry, which tourist authority.

Cathay Pacific is 51.85 percent cific's expertise. The deal also may owned by Swire Pacific Ltd., a conmark the beginning of a more ag-

ers from the three companies.

family of Britain.

CITIC, which is Beijing's principal investment vehicle, and Cathay

airline, Mr. Kasowitz said.

"Up to now, Cathay and Swire have chosen to pursue the China "Up to now, Cathay and Swire

The deal is the latest in a series of Purves, said the banking and finan-high-profile mainland investments cial services group would have liked to remain a shareholder, but markets in recent years. By most agreed to Cathay's request to sell accounts. China is now Hong out to the Chinese companies because aviation is not one of HSBC's

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In accordance with the provisions of the Notes, notice is hereby given that for the six months interest period from July 13, 1992 to January 13, 1993 the Notes will carry an interest Rate of 3<sup>10</sup>% per annum. The interest payable on the relevant interest payment date, January 13, 1993 against Coupon No. 15 will be U.S. \$1,948.61 and U.S. \$194.86 respectively for Notes in denominations of U.S. \$100,000 and U.S. \$10,000.

By: The Chase Manhatten Bank, N.A. London, Agent Bank July 13, 1992

## R.M.S. Queen Mary



Request For Proposals The Port of Long Beach is soliciting proposals for the operation and/or sale of the R.M.S. Queen Mary. To request a copy of

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## U.S. Investigates Airbus-UAL Deal

Compiled by Our Staff From Dispatches
WASHINGTON — The United States is look-

not disclosed.

ing into whether subsidies were involved to Airbus Industrie's agreement to lease 50 planes to United Airlines, and trade action is possible, the U.S. Trade Representative's Office said on Monday. United Airlines, a unit of UAL Corp. last week chose Airbus Industrie to supply it with new planes. United had long flown planes by Boeing Co.

A spokeswoman for the Trade representative, Cathy Lydon, said "we are looking into the issue of whether subsidies were used in this transaction, and if it is learned they were, we would take action." Ms. Lydon said the action could take the

form of a trade complaint with the General Agreement on Tariffs and Trade.

The U.S. investigation comes as Airbus won an order from Korean Air, its biggest Far Eastern customer, for two more A300-600R wide-bdoy jets. Industry sources said the order was worth about \$170 million for the European consortium.

The deal should provide a boost for Airbus, which has been suffering from a sales shump.

Airbus said the 258-seat planes for Korean Air, powered by Pratt & Whitney PW4000 engines, arefor delivery in late 1994, and will be used on the carrier's Asian rontes. (Reuter, Bloomberg, AP)

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Market Sales

Dow Jones Bond Averages

Standard & Poor's Indexes

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**EUROPEAN FUTURES** 

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Nigh Low Prev. Close

Compiled by Our Staff From Dispatches NEW YORK — U.S. stocks advanced Monday in light trading. with little news to stimulate the

"We're just dead in the water." said William E. Raftery, vice presi-

## N.Y. Stocks

dent with Smith Barney, Harris Upham & Co. "There are no themes, there is no major direction

to the market. The Dow Jones industrial average, which gained 6.48 points Friday, added 6.75 points, rising to er second-quarter earnings, but

Advances topped declines by sbout a 9-7 margin on the New York Stock Exchange, on very light volume of 148 million shares, down from 165 million on Friday. Investors were mostly watching

second-quarter earnings and reacting accordingly, traders said.
"They're shooting rabbits as they

come out of the woods," Mr. Raf-

Analysts said volume continued to shrink as second-quarter earnings season began in carnest. "The market is just waiting to get through the earnings period," said Robert Walberg an analyst at MMS International.

Dennis Jarret, an analyst at Kidder Peabody, also cited investors' indecisiveness over the economy and the U.S. presidential election. Bank stocks were initially higher after J.P. Morgan. Chase Manhat-

they later turned mixed. Glaxo Holdings paced the Big Board actives, falling % to 26%. Teléfonos de Mexico followed rising 1 to 46% on reports its union workers voted to leave their shares

in a trust. Ford Moior Co. was third, up 1/2 (AP. UPI, Reuters)

## **German Rate Rise Talk Boosts Deutsche Mark**

that the Bundesbank would righten than raising interest rates. They sugthe availability of credit in Germany pushed the mark sharply higher on Monday, creating problems for other carrenties in the European and the country of the carrenties in the European at the country of the carrenties in the European at the carriers of the carrenties in the European at the carriers of the carriers in the European at the carriers of other currencies in the European quires borrowers to post securities Monciary System and exacerbating the dollar's recent decline. "The biggest news on the curren-

#### Foreign Exchange

rate increase," said Yo iakazu Kawaguchi, a dealer at Tokai Bank in Japan, "Senument against the dollar is still growing." he added.

With a difference of about 6.5 percentage points between low U.S. and high German short-term interest rates, the dollar was especially vulnerable to the rate talk. It fell nearly 2 pfennig, to 1,4743 Deutsche marks from 1,4945 DM on Friday.

The pound was pressured by calls from the ruling Conservative Party for a devaluation and interest-rate cut. Although Prime Minister John Major and Norman Lamont, the chancellor of the Exchequer, denied that such an economy-boosting move was contemplated, the pound fell to 2,8447 DM in New York from about 2,8732 on Friday. The British currency rose against the dollar, how-

ever, to \$1,9295 from 1,9225. The dollar had a better showing against the yen, reflecting the relatively low interest rates available in Japn, It fell to 124,800 yen from

125.125. The mark, meanwhile, rose to 84.65 from 83.72.

Analysts said the Bundesbank, which is worried about the inflationary impact of a rapidly growing spost, the low gold price and

Compiled by Our Staff From Disputches money supply, might tighten its policy by an oblique method rather

would be to raise reserve require-ments, which would reduce the cy market is Germany's possible amount of money in circulation. Albert Soria of Kansallis-Osake-Pankki said regardless of what the Bundesbank does after its council meets on Thursday, the time is coming when the mark will have to be revalued upwards in the EMS.

Spain defended its currency with two bouts of mark sales for pesetas, and the lita is under pressure along with the pound because of the weak British and Italian economies.

The Swiss franc garnered some attention to Europe, when the dollar temporarily found support at L.4760 DM. In New York, the dol-lar fell to 1.5328 francs from 1.3530, and it slid below 5 French francs, to 4,9810 from 5,0415. (Reuters, UPI, Bloomberg, AFP) 3 South African Gold Mines Set Merger

Compiled in Our Susp From Departhes

South Africa Ltd. said Monday

that agreement has been reached to

merge the operations of Kloof

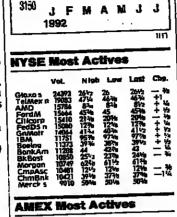
Gold Mining Co., Libanan Gold

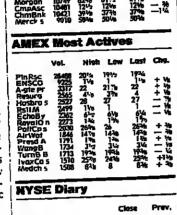
Mining Co. and Venterspost Gold

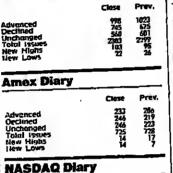
Mining Co.

LONDON - Gold Fields of

## The Dow Daily closings of the Dow Jones industrial average 3400 1992







It said Kloof's mining lease area

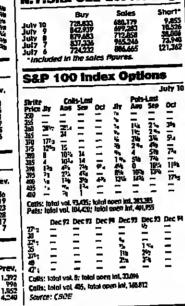
is contiguous with that of Libanon.

and a cessation of pumping by Li-

banon and Venterspost would ex-

pose Kloof to the risk of flooding. Gold Fields, which is technical

advisers to the companies, recom-mended the merger as the most viable and cost effective solution. Otherwise, "Venterspost faces



executive director in charge of gold

operations, told a news conference.

The move, which is subject to

shareholder and Supreme Court

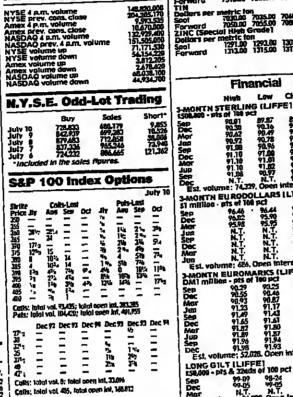
approval, would establish one of

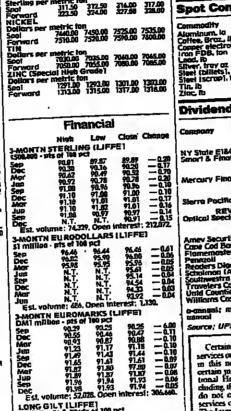
the country's leading gold mining

ric tons of gold ore a month.

uncertain outlook, and because the prospect of closure, pushing Li-

Kloof would be placed in jeopardy if the other two mines were to close. banon over the edge, with consequences for Kloof, Alan Munro.





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GERMAN GOVERNMENT BUNO LLIFFEL DM 250,800 - pts of 100 pct Sep 27,02 47,58 17,50 — 0.28 Dec 38,17 81,08 08,06 — 0.35 Est, volume: 38,503. Open interest: 108,430.

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## Alcoa Reports a 2d Quarter Loss

PITTSBURGH (Reuters) - Aluminum Co. of America said Monday it had a loss of \$30.6 million in the second quarter, compared with a year-

The loss came after an after-tax charge of \$104.7 million, for severance earlier profit of \$81.2 million. payments to cut jobs, for debt refinancing and for the extension of a contract with hourly employees. The company's revenue slid to \$24

Separately, Alcan Aluminum Ltd. said in Montreal that its secondbillion from \$2.6 billion. quarter loss widened to \$27 million from \$5 million in the year-earlier period. Revenue fell to \$1.97 billion from \$2.03 billion.

## Intel Profit Hit as Old Chip Sales Fall

SANTA CLARA, California (UPI) — Intel Corp. citing a decline in sales of its older chips, reported Monday that its second-quarter earnings declined 7.8 percent to \$213 million from a record \$231 million in the

lutel, the world's fourth-largest producer of microprocessors, said revenue rose 5 percent to \$1.32 billion from \$1.25 billion. The earnings were in line with Wall Street expectations.

From 8 bookings and revenue standpoint, this was the best quarter in our history, and in terms of earnings per share, it was our second best ever," said Andrew S. Grove, president and chief executive officer.

## Visa Business Strong Despite Slump

SAN FRANCISCO (UPI) - Visa USA reported Monday that firstquarter credit-card transactions remained strong despite the recession.

The company posted an 11.5 percent increase in domestic volume to. \$40.7 billion in the quarter. Visa said the average growth for other major

card companies during the first quarter was about 10 percent.

Visa reported cards in circulation in the United States rose 4.5 percent to 143 million. The cumber of the cards in circulation of the United States are continued to 143 million. to 143 million. The number of transactions in the United States rose 9 percent to 528 million.

## **Chrysler Sets Prices for Sedans**

DETROIT (Bloomberg) - Chrysler Corp. said the base prices of its three new mid-size "LH" sedans to go on sale later this month will range

from \$15,930 to \$18,341, depending on model.

Chrysler is staking its future on the new line of cars, called the Dodge Intrepid. Eagle Vision and Chrysler Concorde. The cars are mechanically similar and have driver- and front-passenger air bags and V6 engines as standard. But they each have distinctive interior and exterior styling, and will be aimed at three different audiences.

## Casino Operation Boosts Hilton

LOS ANGELES (AP) — Hilton Hotels Corp. on Monday reported a 37 percent gain in second-quarter earnings, coming up a winner in its

Second-quarter profit was \$32.4 million, up from \$23.6 million in the year-earlier quarter. Revenue rose 3 percent, to \$294.8 million from \$287.2 million.

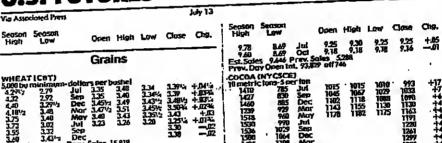
The recession and a worldwide oversupply of hotel rooms communed to B 10 percent decline in operating income from hotels, to \$29.7 million. But profit from casinos rose 49 percent, to \$37.5 million.

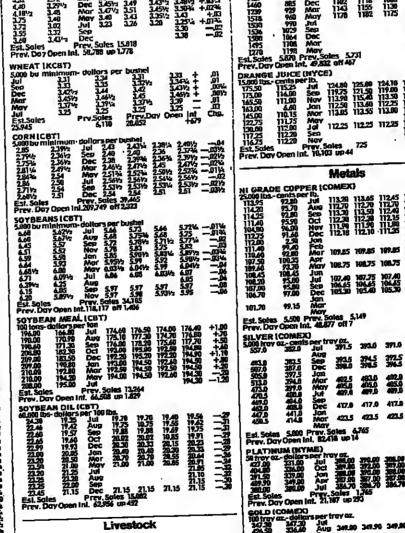
#### For the Record

Trans World Airfines Inc. will receive \$6.4 million from the city of Chicago for early termination of a lease at O'Hare International Airport, Unicago for early termination of a lease at U mare international Amport, under an agreement approved by a U.S. bankruptcy judge. (Bloomberg)

Thermo instrument Systems Inc. said Nicolet Instrument Corp. accepted its offer to acquire the company at \$21 cash per share of Nicolet's common. Nicolet's sales for fiscal 1992 were about \$140 million. (Reuter) Homana Inc. said it signed a letter of intent to sell 13 hospitals in six states to Champion Healthcare Corp. Terms weren't disclosed; the sales are expected to be completed by the end of the year. (Bloomberg)

## U.S. FUTURES





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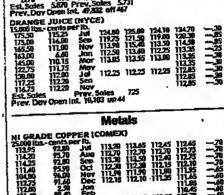
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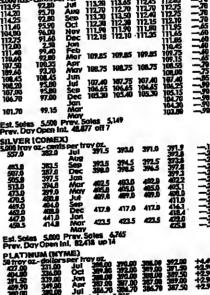
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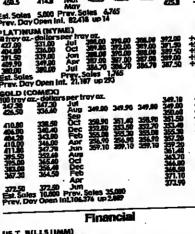
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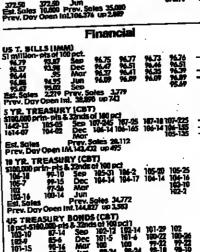
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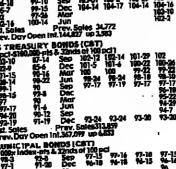
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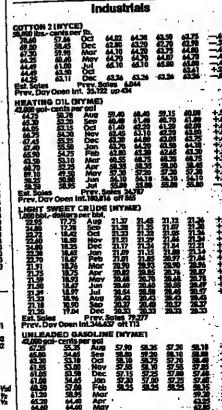


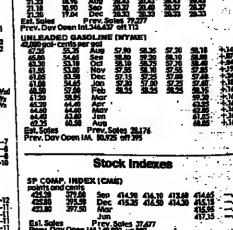


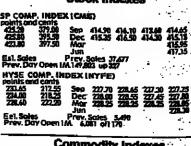




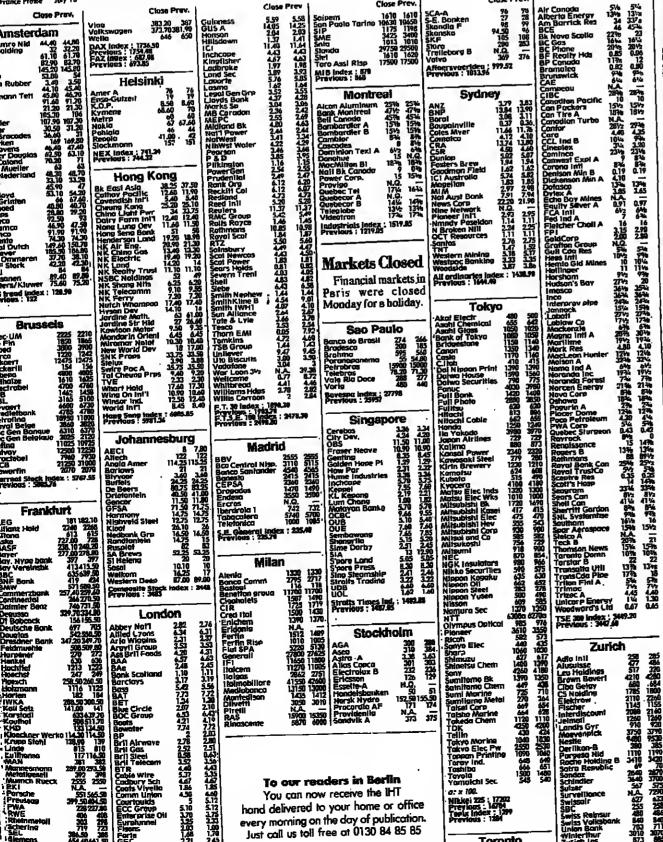
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**WORLD STOCK MARKETS** 



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Compiled by Our Staff From Dispatches LONDON — Debt-strapped Pirelli SpA said Monday that it sold some sealing units to BTR PLC, but analysts expressed disappointment at the price.

The Italian tire and cable maker sold its automotive profiles, antivibration and industrial rubber businesses in Britain, Germany and Spain to BTR for £60 million (\$114 million) in cash. BTR will also assume some £50 million in debts. Sales in 1991 of the businesses

acquired were about £285 million. "The price is rather low," said Dagmar Bottenbruch, automotive analyst for Credit Suisse First Bos-ton in Milan.

Pirelli originally aimed to sell its diversified businesses, with 1991 sales of 1,7 trillion lire, for 1 trillion lire (\$892 million) or 58.8 percent of sales value, analysts said. But the price for the sealing units is just 38.6 percent of 1991 sales.

Pirelli said the sale would reduce its net debt to just under 3 trillion lire. Analysts said it would also help BTR, the conglomerate that bought Hawker Siddeley PLC for about £1.5 billion last year, to achieve its goal of improving its sealings operation.

Like other tire companies, Pirelli has been battered by price cuts, flat volume, and big interest costs from overseas acquisitions, specifically from its own purchase of the U.S. replacement tire maker Armstrong. In addition, Pirelli's aborted take over last year of its German rival, Continental AG, ended up costing it 240 billion lire — about the same as the price for the sealing units. (Bloomberg, Reusers)

(Continued from first finance page)

crence shares they now hold. WPP

has not paid dividends on the pre-

ferred since October 1990 and owes

12,375 pence per share in arrears.

WPP also said current shareholders could subscribe to the

shares that would otherwise be

available to the banks, and under

this open offer they could take up

to all of the 239.54 million shares at

-60 pence each; holders of common

shares and warrants could buy

1,060 shares for every 1,000 securi-

ties held, and convertible prefer-

ence holders could buy 795 shares

After the restructuring, there will

be about 504.2 million common.

for each 1,000.

## Pirelli Units Germany Sorts Out Its Trash

By Ferdinand Protzman

A second second

New York Tunes Service
BONN — When Germany became the first nation to require business and industry to collect and recycle the cans, bottles, cardboard, paper and plastic used to package their products, govern-ment officials hailed the move as a revolution.

But as the private recycling system that sprang up to meet that mandate gains momentum, Germans are finding that such pioneering change is neither cheap nor

The nation's new packaging law set up a process that began in December with the requirement that businesses take back and recycle packaging used in transporting their products, such as the crate that had contained a bicycle.

On April 1, businesses became responsible for collecting and recycling all superfluous packaging. By Jan. 1, an average of 50 per-

cent of all consumer-products packaging will have to be recycled; the law dictates higher percentages for glass and other easily recyclable materials and lower ones for plastic and composite materials. The recycling average for all materials must rise to 80 percent by mid-1995. After a rough start, collection is

going well and the amount being recycled is rising stendily. Although industry quickly passed its added costs on to consumers through higher prices, there has been little grumbling from the public because of its willingness to support environmental measures. But the actual recycling remains

plants for some materials, like plasties, and recycling them is often prohibitively expensive.

problematic. There are not enough

For other materials, like beverage cartons combining aluminum,

bought by current equityholders,

about 5 percent of the enlarged

share capital, common stockhold-

ers will end up with 20.7 percent of the company, convertible prefer-

ence holders will get 31.8 percent,

and bankers will own 47.5 percent.

that if they did not back its restruc-

turing, they were likely to lose most

or all of their investments. It said

banks would demand a reduction

in the value of shares in return for

aiding the company, and without bank support, WPP would be un-

It also said it expected to earn

able to continue in business.

WPP warned its shareholders

million. Based on the amount of this year, but that would come be-additional sbares expected to be fore a charge of £12,7 million for

the restructuring.

WPP: Shareholders Urged to Accept Restructuring

#### Recycling, Seriously materials in Germany, as percent of weight.

Minimum requirements for collecting and sorting packaging

COLLECTING	
By:	Jan. 1, '93
Aluminum	30 °
Cardboard	30
Glass	60
Paper	30
Plastics	30
Tinplate	40
Composite materials	20

From Jan. '93 to June '95, at least 50 percent of all the materials

SORTING*										
Jan. 1, '93	July 1, '95									
60°°	90%									
60	80									
70	90									
60	80									
30	80									
65	90									
30	80									
	Jan. 1, '93 60° 60 70 60 30 65									

contaminated - will be disposed of as industrial waste. \*Percentage of waste collected.

plastic and paper, no economical recycling process exists. While commercially successful recycling of glass and aluminum has been going on for years, low-quality paper and plastics are a problem because the market is already glutted.

The German government argues that industry will quickly address these problems because the new lsw demands it. But the law cannot dictate how the marketplace will react to the surging volume of recycled packaging materials.

Some specialists fear that rather than becoming a closed, self-sustaining circle, the German system will simply export packaging waste to other countries, disrupting their markets with oversupply

The banks agreed to extend a syndicated loan of \$604 million, in-

curred in the Ogilvy takeover, and working capital facilities until 1997;

payments were to begin in June

1993. The banks also will provide a

WPP's common stock was un-

changed at 45 pence in London on

Monday, warrants fell 0.25 penny,

to 3.5 pence, and the preference

In New York, WPP's American

depositary receipts were un-

shares fell I penny, to 33 pence.

new \$150 million credit line.

Faced with that, about 600 companies, from Coca-Cola GmbH and the chemical giant Bayer AG to small businesses, formed Duales System Deutschland, a private company that works with local governments to collect everything that can be tecycled and pass it on to

its return.

It is already scrambling to keep up with the thousands of tons of trash Germans are dutifully tossing into the distinctive gelbe tonnen, or vellow bins, it provides to any household on demand.

When the law was announced

most companies said it was un-

workable. They changed their tune

when Bonn said that unless they

came up with a way of implement-

ing the law, the government would impose a deposit of 50 pfennig (33

cents) on all packaging to promote

Many observers say they think the Duales System will work. Clemens Stroetmann, the state secretary in the environment ministry, who played an important role in developing the law, has no doubts. "It is working," be said.

If he is right, the law could be-come a historic high-water mark, indicating where the tide of waste that has risen steadily during the industrial age finally began to ebb. The law's creators see it as leading to the recycling or reusing of almost all Germany's manufactured products.

Other industrial nations, including the United States, Japan and Germany's European neighbors. changed at \$1.75 each. Each ADR are watching closely to see if the law can be a model. France is alrepresents two underlying common law can be a model. France is al shares. (Reuters, Bloomberg, AP) ready crafting similar legislation.

## \$12 Billion Kazakh Deal For Turkish Contractor

Cumpiled by Our Staff From Dispatches ANKARA - Birlesmis Muhendister Burosu AS said it had reached an \$11.7 billion energy development deal with Kazakhstan

on Monday, the largest such agree-ment ever for a Turkish contractor. The deal was part of a series of energy protocols signed by Kazakhstan and Turkey, although the Turkish government does not have a stake in the Birlesmis deal. It covers the operation of four oil fields, rehabilitation of wells at two of them, and development of an-

other field.

Birlesmis also will construct an electricity generating plant powered by gas from Kazakhstan fields as part of the deal.

The four fields to be developed have reserves of 594 million barrels, Birlesmis executives said. They added that theirs was the second-biggest energy deal signed with Kazakhstan, behind only Chevron Corp.'s arrangement to develop the Tengiz field, which has recoverable reserves of about 7 billion to 10 billion barrels. The Chevron deal will require

up to \$20 billion of investment. The power plant contract is to be signed on Oct. 50 and the oil field

(Continued from first finance page)

executives expect sales of S5 billion

or more by the end of the decade.

memories, the main type of chip

used to store data and programs in

computers, flash chips do not lose

their contents when the computer's

the more femile grounds for alli-

ances as companies scramble to

gain a foothold. Sharp Corp. of

Japan will make flash chips for

Iniel Corp. under an agreement

signed earlier this year. Last

month, IBM and Toshiba said they

would cooperate on flash technol-

ogy in an agreement separate from

the one announced Monday with

American companies lead in flash

nemory chips, with Intel being by far the largest supplier, followed by Advanced Micro. But the agree-

menis between Intel and Sharp and

between Advanced Micro and Fu-

itsu will shift the mass manufactur-

ing of these chips to Japan, While American companies were

driven out of the DRAM business

by the Japanese, with flash chips

they appear to be moving produc-

tion to Japan at the outset.

Flash technology has been one of

power is shut off.

Sieroeus.

Unlike dynamic random access

contract on Nov. 1, according to Kadir Baikanov, the Karakh deputy prime minister and energy minister.

He signed a series of protocols with Turkey's energy menister. Ersin Faralyali. "The power plant has great importance for us," Mr. Bai-kanov said. "We are importing electricity from Russia. But I think we will be selling electricity after this plant is completed in three vears' time "

He said Kazakhstan needed Turkey's help to find foreign credits that will be repaid in oil. Ali Riza Bozkurt, the Birlesmis

general manager, said. We have prepared a \$1.7 billion financial credit package for Kazakhstan based on foreign financial resources to finance the power plant project." He did not give details. A company spokesman said the oil field projects would account for the rest of the \$11.7 billion cost.

"After this deal, we may begin new projects in oil, electricity and the construction of railways and ports," said Mr. Baikanov, who began a two-day visit to Ankara on Sunday.

(Reuters, AFP)

#### CHIP: **ALLIANCE:** Fujitsu-AMD Link IBM Unveils Deal

(Continued from first finance page) cooperation on a complementary

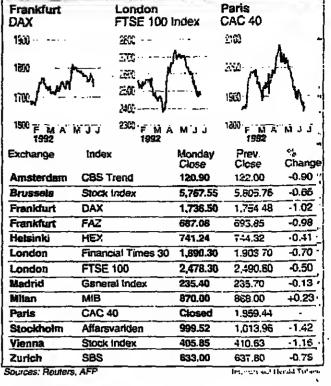
basis and encourages vigorous competition. The new partnership reflects, in part, the buge cost of developing

each generation of memory chips. which are the backbone not only of the computer industry, but also of an increasingly wide variety of consumer products, including televisions, telephones, microwave ovens and video cameras. IBM officials say that because of

the sophisticated technology needed to make chips, it costs \$500 million to build a manufacturing plant capable of making today's most advanced kinds, which can store 16 million bits of information. By the end of the decade, the cost is expected to rise to \$1 billion.

The alliance of IBM, Toshiba and Siemens also suggests a fundamental shift in the battle to control the global computer industry, a struggle that has pitted the world's most powerful companies and governments in the last decade.

(Reuters, NYT, Bloomberg, UPI)



#### Very briefly:

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Investor's Europe

• Bayerische Motoren Werke AG said it would not make an offer io acquire Rolls-Royce Motor Cars Ltd., denving a report in the Sunday Times that BMW was interested in buying the unit of Vickers PLC. • Tomkins PLC's chief executive, Greg Hutchings, said pretax profit rose

17 percent, to £132.1 million (\$251 million), in the year ended in May, and predicted profit would reach £141 million to £144 million this year. • Forte PLC and Agip Petroli SpA have signed a joint venture pact under which Forte will manage 18 Agip-Petroli hotels for 25 years.

• Commercial Union Assurance Co. of Britain said it would increase its stake in National Commercial Union Ltd. to 71.35 percent from 45.67 percent by buying 46.5 million shares from National Mintual Life Association of Australasia Ltd. for 23.2 million Australian dollars (\$17.3 million).

• Gildemeister AG's chairman, Axel Kemna, said group losses in 1992 would be "considerable;" he said group sales fell 12 percent in the first half, to 234 million Deutsche marks (\$156 million). · Anfin, Italy's national association of carmakers, said sales of small

commercial vehicles rose 2.9 percent in June from a year earlier and were up 4.6 percent in the first half of 1992.

 Ascom Holding AG, a Swiss telecommunications company, said the EC Commission had formally cleared its joint venture with L.M. Ericsson AB of Sweden; the venture, Ericsson Transmission AG, which began June L. will develop, produce and sell public line transmission equipment. Remers, AFX, Bloomberg, AEP

#### Fokker Reassures Workers on DASA.

AMSTERDAM - Fokker NV's chairman, Erik-Jan Nederkoorn, has

written to employees saving their employment prospects in any cooperative venture with Deutsche Aerospace AG were an "important guideline" an for both Fokker and the Dutch state. The letter, disclosed Monday, follows a protest Friday by employees who on

complained they were not being fully informed on the talks between vm. Fokker, DASA and the state. They protested after an agreement leaked to lithe press revealed that the Daimler-Benz unit would win control of Fokker. ng The letter said Fokker and the government "are striving together for the largest attainable share of high-value employment in the Netherlands." ?

shares, up from the current 60.9 £14.2 million for the first half of

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## THE NEW ECONOMIC CLIMATE

Madrid, July 21-22, 1992

A major conference co-sponsored by the International Herald Tribune, Inter-American Development Bank and Argentaria-Corporación Bancaria de España

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多言 Bancaria de España 09.45 KEYNOTE ADDRESS Carlos Solchaga, Minister of Economy and Finance, Spain

10.15 LATIN AMERICA: THE SEA CHANGE IN ECONOMIC THINK-ING AND PLANNING Enrique Viglesias, President, Inter-American Development Bank 10.45 HOW THE NEW IDEAS ARE PROMOTING A MORE STABLE 腻

Samuel Dorla Medina, Minister of Planning, Botwie José Angel Gurria, Undersecretary for International Financial Affairs, Mexico 12.15 Coffee Ricardo Hausmann, Minister of Planning, Venezuela 雁

12.45 INVESTMENT IN LATIN AMERICA: BETTER OFF AND BACK IN Ó. FASHION
Francisco Luzón, Chairman, ARGENTARIA - Corporación Bancaria de España Pedro-Pablo Kuczynski, President & Chiel Executive Officer, 9 Nueva Management Inc Gunther H Muller, General Manager, Interam 鈲 Ö

14.15 Lunch
LATIN AMERICAN ECONOMY AFTER THE ADJUSTMENT
Fortiles Minister of Finance, Chile 듦 Guest speaker: Alejandro Foxley, Minister of Finance, Chile 16.00 COMBINING ENVIRONMENTAL PROTECTION AND SUSTAIN-ΙŽ Hernan Bravo, Minister of Natural Resources, Energy and

룲 Mines, Coşta Rica Stephan Schmidheiny, Charman, Anova AG, Switzerland, and Charman, Business Council for Sustainable Development 多点 17.00 ROUND TABLE: LATIN AMERICA'S PRIVATIZATION PROGRAMS 多訓炎語@

A Host Government View: Eduardo M Modiano, President, National Development Bank of Brazil An Investor's View Miguel Aguito, Chamman, Iberia Airlines A Banker's View: Gerrit J Temmes, Vice Chairman, NMB Postbank Groep NV

CONFERENCE LOCATION: Palace Hotel, Plas Cortes 7, 28014 Madnd. Tel: (34 1) 429 75 51. Fau 429 82 66. 副

18.30 Cocktail Reception - Hosted by ARGENTARIA

9 For last remaining place please contact 듦 Jane Blackmore W 開発制の on Tel: (44 71) 836 48

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JULY 22 09:30 WHY FOREIGN COMPANIES ARE LOOKING AGAIN AT LATIN Moderator: Robert Panero, President, Robert Panero Associates Christian d'Aumaia, Advisor to the President, Societé Lyonnaise, David de Pury, Co-Chairman, ABB Asea Brown Boven Group Cándido Velázquez, Chairman, Telelonica de España 10.45 LATIN AMERICAN INTEGRATION: A RENEWED CATALYST

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Moderator: Gert Rosenthal, Secretary General, United Nations Economic Commission for Latin America & the Caribbean Central America's Peace Dividends: Erwin J Krüger, Minister of External Cooperation, Nicaragua The Andean Pact Revival: Enrique Garcia, President, Andean Development Corporation, Pélix Peña, Assistant Undersecretary for Mercosur and Inter-**....** 

american Economic Relations, Argentina 12.20 ADJUSTMENT MEASURES: GETTING THE SOCIAL BALANCE

Carlos O Ominanal, Minister of Economy, Chile Louis J Emmerij, President, OECD Development Centre 13.15 LATIN AMERICA STOCK MARKETS: THE EMERGENT STARS

Alvaro Vidigal, Chairman, Sao Paulo Slock Exchange
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Securities Limited 14.15 CONCLUSIONS OF THE CONFERENCE

Enrique V Iglesias, President, Inter-American Development

Special Address: H E Luis Alberto Lacalle Herrera, President of

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Enclosed as a check for £595.00 made payable to the International Herald Tribune	Please invoice	14-7-92
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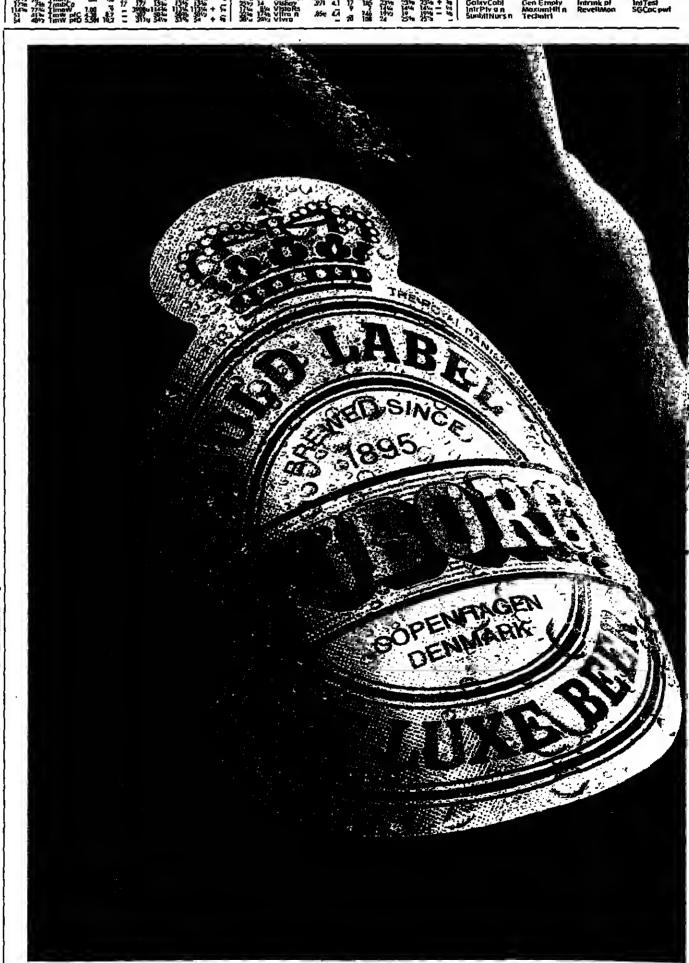
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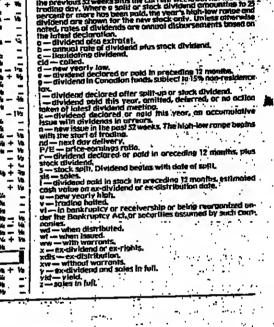
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#### ASIA / PACIFIC

## Stone Blazes Trails in China **Maverick Praises Reform and Makes Profit**

Malaysian Union Group to Defy Ban

to condemn Malaysia's labor poli-

David Vedamuthu, secretary-

general of the union confederation,

said Mooday that it would assist

interested electronic workers to

form a committee pushing union-

ization of 120,000 electronic work-

of electronic workers want a na-

tional union," the union official

"Our survey shows the majority

ers in the country.

By David Holley

Lis Angeles Times Service
BEIJING — Beijing Stone Group Co., China's top computer company and a formerly outspoken supporter of the ill-fated pro-democracy movement, is booming in spite of fears that its political views would doom it.

Reports to the Hong Kong media soon after the suppression of the movement in 1989 reflected pessimism about the company's future. One article spoke of the firm's "downfall" and quoted an escaped dissident who predicted that Stone would either be dissolved or become part of a stateowned work unit."

But Stone's profits, after dipping 31 percent in 1989, rose 45 percent in 1990 and jumped another 67 percent last year, hitting \$18.9 million on revenue of \$434 million. The company, with 2,300 employees, sells a variety of domestic and imported computer equipment and holds about 80 percent of China's lucrative market for Chinese-character word processors.

its success is a tribute oot only to what may seem to be Houdini-like skills on the part of its management, but also to the fundamental resilience of Chioa's market-oriented reforms.

.The company's current management is careful not to challenge the government, as did Wan Runnan, the now-exiled founder. But Stone executives are still enthusiastic boosters of reform. Duan Yongii, Stone Group's president since last

year, said in a recent interview that the pessimism of many foreign observers in 1989 was based on a mistaken impression that the Tiananmen crackdown meant the end of economic change in China. "With such a premise, Stone would not have a

good future," Mr. Duan said. "However, this appraisal was not true to the facts. China's reform accords with the will of the people and the general trend of events, and it cannot be reversed. Stone has been controversial ever since it was

founded. During its early years of success, Com-

KUALA LUMPUR -The Ma-

laysian Trades Union Congress

said Monday that it would revive

attempts to organize electronic

workers in the country to form a

national union, defying a 20-year-

The body's efforts to unionize

the electronic workers have repeat-

edly come under fire by govern-

ment leaders. They have accused it

of conspiring with Western unions

old government ban.

munist Party ideologues repeatedly accused it of smuggling black-marketing and profitiog from tical connections.

Later, when students launched protests in Tiananmen Square, Stone provided financial and material support. After the government declared mar-tial law in late May, members of the Stone research iter, in support of embattled reformists, circulated a petition calling for an emergency meeting of the legislature to deal with the crisis.

After the crackdown, Stone faced two broad categories of difficulties, Mr. Duan said. First were political issues, he said. "How much was Stone involved in the incident? How much did it donate? What was the nature of its role?"

And then, Mr. Duan said, there were ideological questions: "What is the nature of Stone? Should such enterprises be developed? Should banks continue to lend us money? Should newspapers accept our advertisements?

The investigation team sent by the government ssued a formal report after its work here," Mr. Duan said. "It said Stone should keep working and should perform even better.

The Stone group already has a wide-ranging structure. It includes a high-technology industrial company, a finance company, 28 full subsidiaries, 12 Chinese-foreign joint ventures, 14 branch offices in various parts of China, two affiliated enterprises and six overseas branches.

In the past three years, Mr. Duan said, Stone has bolstered its manufacturing capacities, aiming to become more of an industrial company and less of a trading company. Among other facilities, it now has two word-processor factories, each turning out more than \$40 million worth of equipment annually. Despite the jurmoil and pressures of the past

few years. Stone exudes an aura of unbowed pride The cover of a slick brochure promoting Stone's latest products proclaims: "We are devoting ourselves to a cause — a cause of reform. We are creating a new image - a revolutionary image."

tronic sector.

said. He said the hope was that the sector, labor union leaders say.

ban on unionization of the elec-

He said a national union to rep-

resent electronic workers was oced-

ed in the rapidly growing industry.

The government has banned

## Japan Surplus Hits a Record

TOKYO - Japan's merchandise was \$14.41 billion, set in the yeartrade surplus surged to \$49.03 bil- carlier period. lion in the first half of 1992 a record high, the Finance Ministry said on Monday,

The six-month figure was 54 percent above the year-earlier \$32.18 billion, and was the highest halfyear level since the ministry began

releasing the statistic 18 years ago. Economists said Japan's sluggish economy and brisk world demand for Japanese exports will make the

gap grow to \$120 billion for the year. The weakness of the Japanese economy has led consumers to buy fewer foreign goods and manufacturers to step up sales in foreign markets to try to pare down swell-

ing inventories, analysis said. "Everyone's queuing up to export because they just don't see any domestic demand," said Mathew Berlow, economist at Credit Lyonnais Securities.

"Japan is trying to export its re-cession overseas," said Russell Jones, an economist at UBS/Phillips & Drew. The politically sensitive Japa-

nese surpluses with the United States and the European Community - both of which have caused trade friction in recent months -

Japan's surplus with the European Community hit a record high in lion, while import the first half, rising 15.3 percent to \$19.12 billion.

Compiled by Our Staff From Dispatches \$16.61 billion. The previous peak

The surplus with the United States rose to \$18.59 billion in the first half of 1992, from \$15.93 billion a year earlier.

to the month of June alone, Japan's trade surplus with the United States increased to \$3.14 billion from \$2.65 billion in June 1991. while the surplus with the European Community was up to \$2.63 billion from \$2.36 billion a year

ago, the ministry said. Japan's total merchandise trade surplus for June rose 24.1 percent from a year earlier, to \$8.97 billion. One of the reasons the trade sur-plus has been so high for the first

half of this year is the dollar's weakness against the yen. Since the trade balance is measured in dollars, the surplus grows as the dollar weakens. Still, economists say the driving force behind the growing surplus is the unrelenting force of Japanese

exports seeking markets abroad in the face of weak demand and economic slowdown at home. While imports have been erratic and actually increased in June because of an increase in the value of oil and volume of aircraft im-

ports - exports increased in June for the 25th coosecutive month, by 10.5 percent perceot, to \$28.09 billion, while imports rose 5.1 percent

#### Tokyo Irks EC Over Tape Duty

BRUSSELS -- EC Commission officials on Monday criticized Japan's move to challenge EC anti-dumping duties on Japanese audiotapes and accused Tokyo of trying to force changes in GATT rules.

The EC decided in May 1991 to impose anti-dumping duties of 15 to 25 percent on the tapes. Last week, Japan asked the General Agreement on Tariffs and Trade's Committee on Anti-Dumping Practices to settle the dispute. An EC official called the move "a clear abuse of the disputes procedure."

Exports climbed to \$163.29 billion in the first six months of 1992 against \$150.33 billion in the same period in 1991.

The possibility that Japanese companies are trying to recoup lost business at the expense of foreign companies would promise to add a oew dimension to criticism of the trade surplus, which Tokyo has blamed on slow imports.

(Reuters, Bloomberg)



#### Very briefly:

w Fujian Provincial Light Industrial Import & Export Co., a Chinese stateowned company, has bought 40.53 percent of the stock of EDI, a small U.S. electronics company that makes rectifiers, from Durakool Co.

w Hyundai Motor Co. said it would become the first South Korean car company to sell automobiles in France when it begins shipping 4,000 Excel and other subcompact models this month.

• Taka-O Co., a Japanese maker of men's suits, is setting up a 1.8 billion yen (\$14 million) venture with China's Beijing Garment Industry Group to produce and sell men's and women's clothes in China.

w Planom Penh's annual inflation rate, spurred by the presence of freespending UN peacekeepers and administrators, has risen to around 100 percent from 75 percent a few months ago, the United Nations said.

ing that the selection process violated a 1990 procurement agreement.

. JR Settlement Corp., the government-owned entity that holds the shares of seven Japan Railways group companies, should not sell shares in three of the companies in the financial year ending next March because of the effect on the Tokyo market, an advisory panel said.

• China and Russia will set up a venture to build a rail link between the :Russian port of Kraskino and the oortheastern Chinese city of Hunchun. • Leefung-Asco Printers Holdings of Hong Kong is paying 8.8 million up dollars (\$1.1 millioo) for a 45 percent stake in the Beijing printer Wenwi-Jardine Printing Ltd., owned by Jardine Matheson Holdings.

AP, Reuters, AFP, Bloomberg

#### Japan Investigates 'Pollution Exports'

Agence France-Presse TOKYO - The Japanese government on Monday ordered an inquiry into the environmental policies of Japanese-owned companies overseas and urged all of them to avoid causing pollution,

government would consider the fresh application and reverse its Over the weekend, a Malaysian tribunal ordered the shutdowo of a factory 35 percent owned by Mitsubishi Kasei Corp., Japao's largest chemical company, that was said to be dumping radioactive waste in the state of Perak.

The vice-minister of international unionization of electronic workers trade and industry, Yuji Tanahashi, since 1972 for fear of jeopardizing said Monday he was inviting companies to provide proof that they interests of foreign investors in the were concerned about pollution,

## year to June 30, 1993.

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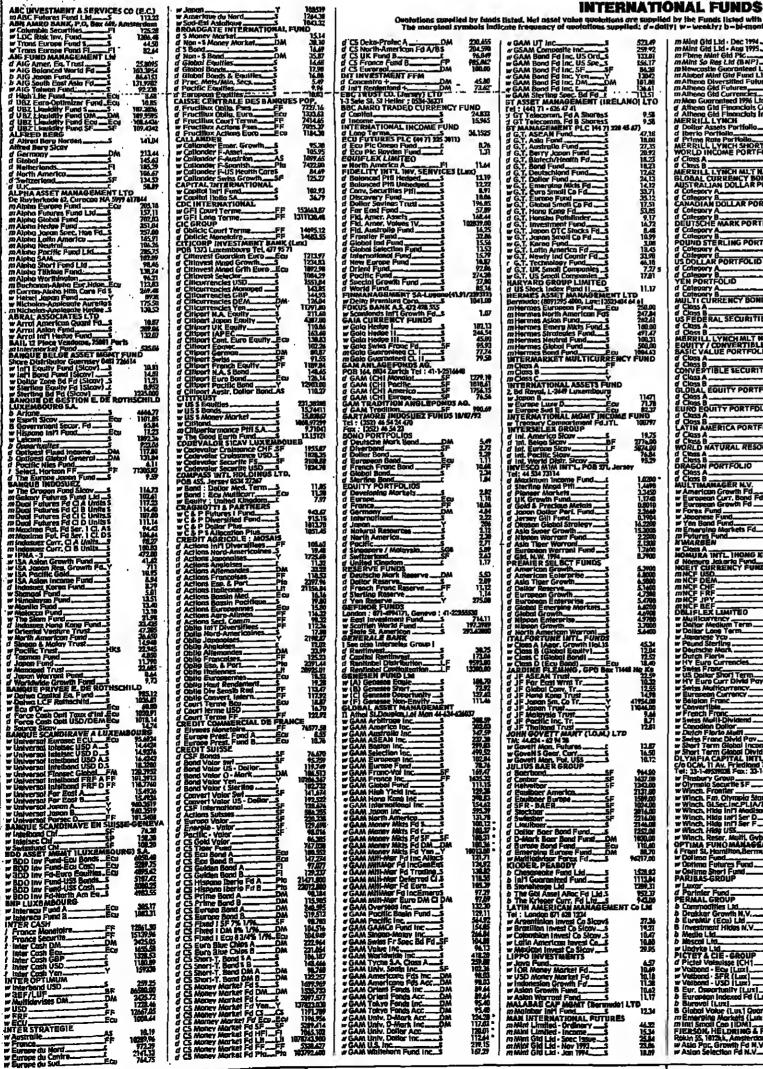
SYDNEY - Analysis have halved, to around 40 million Austra lian dollars (\$29.8 million), their estimates of profit for TNT Ltd... the Australian-based transport group, before abnormal items for the

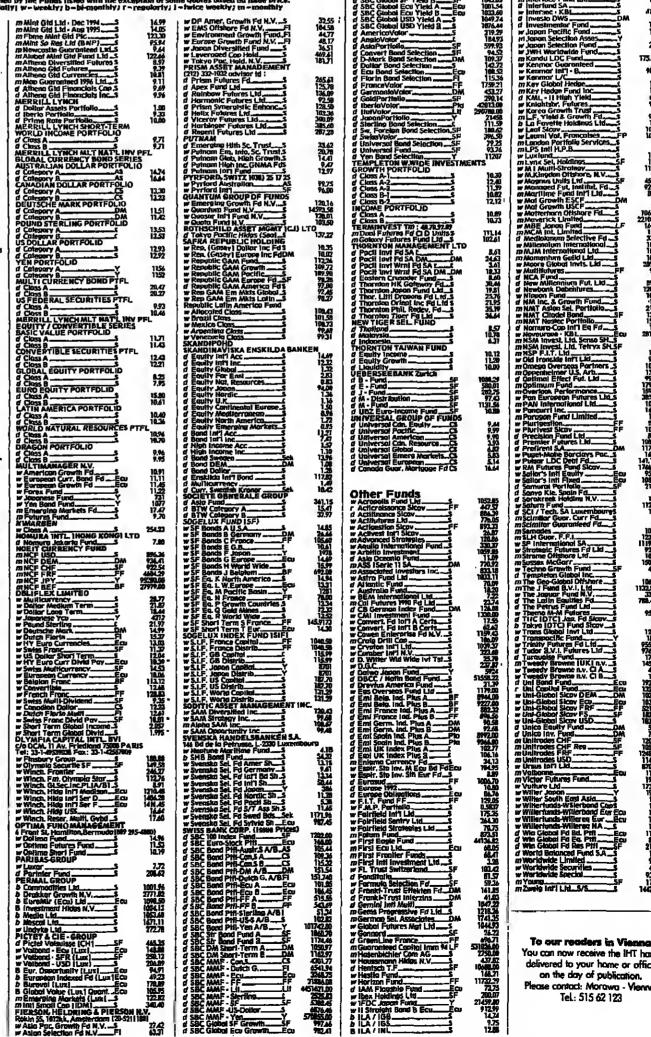
TNT Profit Forecast Is Cut

A weak Australian economy and poorer-than-expected performance by TNT's recently concluded European venture are the two most widely blamed factors. Another risky factor is TNT's 50 percent owned Ansett Transport Industries, analysts said. Many believe government plans to merge Australian Airlines and Qantas will put further pressure on Ansett.

Analysis still expect TNT to do well in 1993-94, but the company's share price has fallen to 1,46 dollars Monday from 1.95 in May. "The market is looking for a profit of around 40 to 50 million

Australian dollars for the year to June 1993," says a BZW Securities analyst, Nick Selvaratnam, ANZ McCaughan has cut to 45 million dollars from 103 million its forecast net profit for TNT after equity accounting for the year,





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# SPORTS

## **Indurain Buries Other Favorites** In Time Trial

By Samuel Abt mal Herald Tribune

LUXEMBOURG - Anybody wondering where the Tour de France's defending champion, Mi-guel Indurain, had been hiding in for the last week got the answer Monday. He was in a telephone booth changing into a hicycle rac-ing jersey with a very big letter S on

Absolutely overpowering in the day's long time trial, Indurain finished more than three minutes ahead of the rest of the 179 remain-

ing riders. Until now there might have been some doubts about how strong and committed the Spaniard was as be sought his second successive victory in the world's greatest bicycle race. No longer.

Riding 65 kilometers (40 miles) out of and back into Luxembourg, Indurain finished in 1 hour, 19 minutes, 31 seconds. The secondplaced rider, Armand De las Cuevas of Indurain's Banesto team. was a flat three minutes behind. After that it was sheer destruc-

Indurain gained 3:41 on Gianni Bugno, 4:04 on Greg LeMond, 4:12 on Stephen Roche and 5:26 on Claudio Chiappucci, to name his major challengers for overall victory when the Tour finishes July 26

- Long minutes after Indurain fioished came the second big surprise of the day. Pascal Lino, the young Frenchman in the vellow jersey. rode a superb race against the clock and finished fifth, retaining the

symbol of leadership, "Overall, Lino is 1:27 ahead of Indurain in second place. Third is Jesper Skinby, a nonclimbing Dane with TVM. Roche is fourth and LeMond fifth.

Very rarely does a rider crush his opponents so thoroughly in a long time trial. LeMond lost to Indurain by just eight seconds, for example. in the first time trial in last year's

Excelling at every time check in the race. Indurain rode with his passed Laurent Figure, a French-

usual fluid grace and power, leaving his main rivals farther behind with each kilometer.

Yellow is definitely the color he has in mind as the Tour approaches the Alps later this week. He climbs as well as he rides in time trials, but Lino does not

Other than Lino, the race has now sorted itself out into the expected battle among the favorites, a group in which Indurain must rank by far the highest.

Until Monday this was not entirely apparent. Since the Tour left Spain, where it started July 4. Indurain had done little to defend the No. 1 he wears on his back. LeMond, the American who has

won the Tour three times, and Chiappucci were especially pesky in the last week, picking up time as part of a breakaway into Brussels. Bugno, more careful, had waited for the time trial.

A lot of good it did them. Le-Mond is three minutes behind Indurain overall. Chiappucci 3:27 and Bugno 3:12.

Bugno, an Italian who rides for Gatorade and finished second in the last Tour, lost eight seconds to Indurain in the first two kilometers Monday. By seven kilometers, that was up to 22 seconds. Nor were things going much better for LeMond, who left two min-

utes after Bugno and four minutes after Indurain. At the seven-kilometer mark, he was five seconds down on Indurain.

Since Indurain was ahead of them and his times could be relayed, Bugno and LeMond knew what they had to do. Their problem was that they could not stay with the Spaniard.

By kilometer 37, when the race turned right and headed away from the Moselle River and its traffic of barges and swans, Indurain led Bugno by more than two minutes and LeMond by a hit less. From then on the Spaniard just

kept getting stronger. When he was about 400 meters from the finish, he caught and



The Tour de France's defending champion, Miguel Indurain, left the other riders more than three minutes behind in Monday's race.

trial, the riders leave separately, in reverse order of standing, and Fig-non had started six minutes before

All sorts of equipment was in
evidence for the time trial as riders

Lino did almost as well, catching dropped to seventh. In reality, it was a fine time trial

for almost all the top-ranked riders, who finished near each other. For Indurain it was a superb time trial. The course - mainly flat and straight except for a small climb and some gentle curves - called

was demanded was strength, which Indurain had in abundance. As usual, he rode with a look of unemotional determination, not even grimacing slightly when he

man with Gatorade, and the huge left the paved highway and and noisy crowd gasped. In a time bumped onto cobilestones in the village of Ehnen, halfway through

varied their wheels, frames, saddles his two-minute man, Jens Heppner. a German with Telekom, who was advantage. Most riders used a rear and handlebars, seeking an extra in second place before the start. He disc wheel but from then on it was anybody's choice.

The most cutting-edge rider was Chiappucci, who lost the decisive time trial to LeMond in the 1990 Tour when the Italian showed up with a standard road bicycle.

This time he had a natty acodynamic helmet, aerodynamic bars, a for little technical ability. What disc wheel, power shifting and everything else except a born and a kick stand. For all the good the gadgets did him against Indurain, Chiappucci should have added a

# South Africa: Hobbled by History

A STATE OF THE STA

New York Times Service

IOHANNESBURG - Bobang Phini burst from the blocks at the African Games in Mauritius last month to become the 400-meter champion of the continent, Gary Lemke, the sports editor of The Pretoria News, hailed Phiri as "the finest prospect in South African athletics."

Marcel Winkler, a sprinter with the shy grace and liquid speed of an impala, could, in the estimation of the respected track master who coaches her, "quite possibly become the fastest woman in the world." Never heard of them? Neither had most of

their own sports-infatnated countrymen. Two months ago, even the National Olympic Committee of South Africa, in the glossy magazine it published to celebrate this country's multiracial return from sporting exile, neglected to men-

tion their names.
Phiri and Winkler, two of the 11 nonwhites on the 97-member South African Olympic team are remote long shots in this year's Olympics, but in many ways they are representative of South African sport in its season of rehabilitation.

This is a team unknown, untested and unsure of itself after three decades of banishment from world competition. It is a team that has been hobbled both by its history of racial exclusion and its recent, fitful politics of transition. It is a team running to catch up with its potential.

"I don't think there's any gold for this team at Barcelona," said John Short, the veteran University of Pretoria track coach who trains

"I don't expect anything from our team, and I don't think our public does, either. We have vast amounts of talent, but we are just entering into a four-year apprenticeship."

No one among the 97 South African Olympi

ans is old enough to remember the country's last Olympic medal. Malcolm Spence's bronze in the 400 meters in the 1960 Rome Olympics. The country was discouraged from compet-

ing in the 1964 and 1968 Games, and formally banished from Olympic competition in 1970 for its policy of racial separation, a ban gradually extended to almost the entire kingdom of world The International Olympic Committee re-

stored South Africa's full recognition a year ago, after President Frederik W. de Klerk renounced apartheid and entered negotiations on giving blacks the vote.

That absolution was contingent on each sport's winning readmission to its international sporting federation, a process that kept many in doubt about Barcelona until spring.

The squad that leaves Monday for Barcelona

will be just over half the size of the 176-member, all-white team that competed in Rome 32 years ago, and much weaker than could be expected of a country with ideal weather, great wealth, abundant talent and a fanatic devotion to sports.

South Africa will be unrepresented in some sports that won international recognition too late for qualifying tournaments. Those who missed the plane to Barcelona include the pre-

dominantly black soccer team, which re-entered world competition only last week by playing host to Cameroon, and the volleyball, basketball and men's and women's field hockey teams.

The team's weakness is partly the price of apartheid, which systematically denied black athletes the facilities, coaching, sponsors and competition necessary to reach Olympic heights. We have good black marathoners because

you can take any road in South Africa and just run," said Daniel Moyo, assistant to the president of the National Olympic Committee. "But for short distances you need a track. The only place you'll find a tartan track - or a discus, or a shot put - is in white schools in white suburbs." Winkler, whose mix of English, Swiss and African heritage made her "colored" in the

The squad that leaves Monday for Barcelona is unknown, untested and unsure of itself after three decades of banishment from world competition. It is a team running to catch up with its potential.

taxonomy of apartheid, started running at age 7, but never got to race against a white athlete until high school, when a coach spotted her

talent and got her into top meets.
"At school, we only competed with other colored schools, so it was difficult to get competition," said the softspoken. 21-year-old sprinter, who will race in the 100 meters and 200

meters at Barcelona. "It's nice to say. 'Oh, we've eliminated all the discrimination now,' " added her coach, John Short, "But it is not so easy to overcome the psychological damage to a girl who was told all through her childhood, 'No, you aren't good enough to run at white meetings.'

Though apartheid laws have been repealed the townships where most nonwhites live still fester with poverty and violence that tend to overwhelm all but the most irrepressible.

Phiri, who at 24 is still coming into his prime, traces his late bloom in part to the student impost that periodically rocked his school in the black township of Randfontein, making studies let alone track meets — impossible.

Phiri and Winkler were saved by prodding. educated parents and universities that began in the late 1980s to open their doors to a few promising nonwhites.

Others among the black Olympians — like Xolile Yawa, who holds the South African record over 10,000 meters, and sprinter Tsakile vzimande — flourished on the sporting fields of South African mining conglomerates, which invested beavily in athletics as a way to mini-

mize frustrations in their all-male hostels. The current South African Olympic committee, whose leaders come from the anti-apartheid movement, has been accused by some of lowering standards to increase the number of "disadvantaged" athletes going to Barcelona.

In the only blatant case, the country's top female table-tennis player, who is white, was bumped in favor of a mixed-race woman rated

The country's long absence from international competition means that its athletes have not honed their skills against the best in the world.

Their preparations for Barcelona have suffered, too, from recurring threats that the team's trip would yet be aborted by politics. The African National Congress contemplated an attempt to reimpose the Olympic boycott to protest alleged government complicity in last month's violence that left more than 40 blacks

dead in Boipatong Township.
Instead, the congress exacted a promise that wherever international rules allowed, South African athletes would be encouraged to wear armbands or stickers advocating "peace and

democracy. This provoked fresh howls from traditionalists. Most Olympians, however, tended to agree with the white rugby player who said he would wear a pink tutu if that was what it took to get him back in international competition.

'If it's for peace and democracy, I wouldn't mind wearing a cap, too," said Phiri. "I don't mind wearing a T-shirt, too. Sure, peace and democracy.

At least the South African team will travel relatively unburdened by expectations.

The Olympic Committee's magazine, wishamany c

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fully named Olympic Gold, singled out five-athletes, all of them white, with realistic prospects of making the finals in their events.

These were Elana Meyer, an elfin middle-

distance star who is given a chance of winning the 10,000 meters; her rival, Zola Budd-Pieterse, South Africa's best-known minner by virtue of her collision with an American, Mary Decker, while competing as a British citizen in: the 1984 Olympics; two 400-meter hurdlers. Myrtle Bothma and Dries Vorster, and Tom Petranoff, an American-born, former recordholder in the javelin who recently obtained

South African citizenship.

In other sports, two yachtsmen, Alee Lanham-Love and Martin Lambrecht, are favored to do well, and the national termis heartthrob, Wayne Ferraira, will be closely watched.

For most South Africans, it will be enough to turn on their television sets and see their country back on the world's track. --As it happens, even that modest joy may be

denied them. The predominantly black Media Workers Association of South Africa has been on strike for higher wages since May 18 against the South African Broadcasting Corporation.

The association succeeded recently in blacking out the South African soccer team's three matches against Cameroon, and it has threatened to pull the plug on the Olympics.

## **CHESS**

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Position after 26 f4

with 10...Nbd7. But the long-range pur-

pose was to exchange on a4 and eventually win the resultant weak pawn. On

Bb5? cb 14 Ne5 because 14...Rc8 is

After 13...Qa5 it was quite possible for Rivas Pastor to play 14 O-O because 14...Bo4 15 Qc4 Ne4 16 Qc6 Ndf6 17

Racl, while isolating the d4 pawn, also yields White control of the c file. More-

over, the alternative, 14...Ne4? 15 Be6! fe 16 Qe4 Bf1 17 Qe6 Rf7 18 Qd7 Bf6 19

Qc6 would see White win material. Natu-

rally, Dorfman would have proceeded

with his master plan of attacking the a4 pawn by 14...Ba4!? 15 ba Nb6 16 Bb3, just as in the actual game continuation.

I WASN'T BENG TRUE TO

WORTH GETTING INTO BED

Dorfman's 24...Nc5 forced 25 Bc5 Rc5

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O-O, White cannot exchange with 13

#### By Robert Byrne

OMETIMES there is cunning in being blant. When you make your intenuons overt they may look so gross and undisguised that no one believes you really mean to earry them out. This works best when your plan takes a dozen nloves or more. Your opponent may think that vicissitudes will surely inter-vone 10 punish such elaborate machina-

But in the seventh-round game between the grandmaster Manuel Rivas Pastor of Spain and losif Dorfman of Ukraine in the Barcelona International Lournament in early May, Black's ambitious stubbornness could not be denied.

Dorfman went on to tie for first place with Jorge Magern Badals, a Spanisb international master who was having the tourney of his life. Remarkably, only one point separated first from 10th place.

Defending the c4 pawn with 5 Qb3 looks toward transposition from a Semi-Slav into a Catalan Opening with g3 or an offbeat Queen's Gambit with Bg5. Yet Black can escape from quiet positional play into something spirited with 5...dc 6 Qc4 b5. The argument still goes on whether 7 Qd3 is the most convenient retreat. Anatoly Karpov preferred 7 Qb3 and achieved the advantage against Jan Timman in Tilburg, the Netherlands, last fall after 7...Nbd7 8 BgS Qa5 9 e3 Ba6 10 Bf6 gf 11 Bd3 b4 12 Ne4.

One purpose of 9...Bb5 was to defend the c6 pawn so that Black can develop

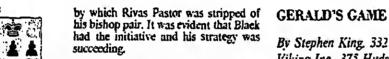
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WE'RE HAVING BAKED LOAHOS. THATS

HOT POTATO WITH IT'S CLOTHES ON."

DOONESBURY



Rivas Pastor desperately tried to put an attack together with 26 f4, but Dorfman could not be deserred from 26...Ra5! 27 f5 Na4. He had gotten the coveted pawn without conceding anything, ludeed, the game was virtually over, since Black also enjoyed clear positional advantage.

After 29...fe, the Spaniard was so tied up that he had to let Dorfman take a second pawn with 30 Qf1 Ra2.

The time-pressure blunder with 39 Rel? threw away a piece to 39...Rf3, but. of course, White's situation was long beyond redemption. Rivas Pastor gave

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WHAT THE POCTOR

#### **BOOKS**

By Stephen King, 332 pages. \$23.50. Viking Inc.. 375 Hudson Street, New York, New York 10014.

Reviewed by Christopher Lehmann-Haupt

A RE you ready for this? At the start of Stephen King's harrowing new novel of borror, "Gerald's Game," a married couple, Gerald and Jessie Burlingame, are alone in the bedroom of their Maine woods summer cottage on an midweek afternoon in October, playing a little game to revive their flagging sex

Jessie is lying on the bed, "her arms raised and splayed out, making her look a little like Fay Wray chained up and waiting for the great ape in "King Kong." She has allowed her husband to secure ber two wrists to the mahogany bedposts with two sets of handcuffs.

Suddenly, Jessie decides that she's really not enjoying herself. She tells Gerald that she wants to be released. But Gerald is too far into his fantasy and interprets Jessie's protests as part of the game. Finally enraged, she gives him a swift kick in the stomach. While trying to regain his breath, be is hit by a killer heart attack. By the time be cashes to the floor, poor Jessie is the only living person for many miles around. And the bed is big and beavy, the keys to the cuffs are on a dresser across the room and the chilly night is coming.

Now this situation might seem to have severe dramatic limitations. But King bas vasily cruel imaginative resources Jessie's situation will quickly begin to deteriorate. First, her senses are assailed. The house's back door is banging in the October breeze, as if to emphasize the freedom she now lacks. Then she feels the first signs of the cramping that she quickly comes to realize is part of the painful torture of death by crucilizion.

She hears a dog barking. The dog, a starving stray, is so bungry be'll cat any form of meat. The rhythm of the banging back door is oddly interrupted, Jessie can hear the click-click of toenails on the floor just outside the bedroom.

She also begins to bear various voices inside her head vying to get her attention. Any reader familiar with pop psychology knows there's only one explanation for this symptom of multiple personality: Jessie has been sexually molested in ber childhood. These voices soon make it clear that for Jessie to escape her hand-cuffed state, which turns cut to be both physical and psychological, she will have to recall in full detail what her father did to her one summer day long ago.
The story of "Gerald's Game" is final-

ly the brutal metaphor of a woman trying to fight free of male oppression.

Gerald's Game" is a work of psychological terror, except for one significant detail, and whether this detail is actually an exception becomes an important part of the story. Oddly enough, it is on balance optimistic about human nature, if not very kind to the male sex. But it should be read by very bright light, with friendly people nearby. And with no hungry dogs around.

Christopher Lehmann-Haupt is on the staff of The New York Times.

#### **PEANUTS**







#### BEETLE BAILEY



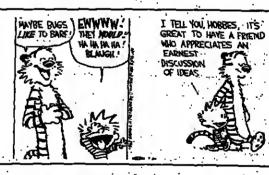




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# SPORTS

## Anybody Here Seen Kelly? As Twins Soar, Boss Hides

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New York Times Service NEW YORK — After bumpy going early this season, the Minnesota Twins, the defending World Series champions, find themselves in first place in the American League West. As usual, the manager isn't taking any credit.

Some people have had it up to here with Tom Kelly's self-effacement as he proclaims, "I just sit in the corner of the dugout and don't bother anybody." But sometimes, sometimes, it's true. On the bench he may in fact impersonate a mummy swathed in double-knit.

Incident: The Twins were losing recently to the California Angels, 3-0, in the middle innings when first baseman Kent Hibek, who has been given a day off, said to his manager, "You am't doin' diddly, T.K." The manager said, Think you can do better, Herbie?" and Hrbek

said, "Can't do worse."

"Go ahead then," said Kelly, and he walked to the other end of the bench, sat down and crossed his arms. The Twins scored three runs. "That's it, Skip," said Hrbek. "I'm exhausted from thinking so much. You can have it back." Everyone on the bench laughed, including and

especially the manager.
The Twins behind Kelly, who will manage the American League team in Tuesday night's

championships in the last five years, one last season and one in 1987. They came back in 1991 from a last-place finish the year before to beat the Atlanta Braves in seven games in the World Series. In 1987, Kelly, as a rookie bigleague manager and the youngest in the majors then, at age 37, led the Twins to a seven-game

Series triumph over the St. Louis Cardinals.
How does he do it? "The players love to play for him" is the usual summation. This is usually true, but there are other, darker, moments. Incident: A young player was unhappy and

and it seemed he was taking his at-bats, if not the bat itself, onto the field with him, to his position at second base. He had failed to back up the shortstop on an attempted pickoff throw, and a run scored because of it. At bat, he had neglected to run out a routine fly ball. Ball games frequently binge on such details.

When the team arrived at the ball park the next day, Kelly held a team meeting. "Some of us," he said, "aren't hustling." He went on to discuss the liabilities of such an attitude. The player was Chuck Knobiauch, o nearanimous selection last season as American

League rookie of the year. Some of us," said Knoblauch, repeating the players aren't idiots. They knew who he was talking about. I didn't like being made a scape-

Kelly benched Knoblauch for one game. Knobber, as he is known to his teammates, is among the foursome that plays a regular game of casino for about half an hour in the manager's office, with Kelly and two coaches. Wayne Terwilliger and Rick Stelmaszek. He was seated at his locker, head drooping, after the meeting when Kelly, with the characteristic stub of a cigar clenched between his teeth, went over. "You cao still be mad at us," he said, "but

you shouldn't be bailing out of the card game. "It broke the ice," said Knoblauch, and he returned to the card game. The next game haseball game, that is - he beat out a possible double-play grounder in the nioth inning to send the tying run home and, on the next play, with two outs, the Twios scored on a base hit to

In dealing with players, Kelly has decided, you can't lie, and you can't be evasive. A standup guy commands respect. And he instituted a rule that when someone "screws up," they must

admit it, players as well as the manager. lost, Kelly gathered round the players. "I blew send out a good horse, you'll get a good horse

hunt, but let him swing away," he said referring to Chili Davis.

He recalled that moment: "But what made

me mad about the Chili Davis thing was that nobody disagreed with me that I had blown it." At Yankee Stadium recently, Kelly sat at his desk in the meagerly appointed office of the visiting manager. His blond hair is patched with white, he wears Ben Franklin glasses and he

He settles down to discuss what else is required to be a successful manager, or at least one who has won a pair of World Series in only a handful of seasons.

smokes what appears to be about the stub of a

"It prohably doesn't hurt to learn how to shovel manure," he said. He wasn't kidding. He mucked stalls, walked harness-racing borses and performed the functions of a groom in the winter of 1976, in his off season as a minor league outfielder. He did this work in New Jersey, where be grew up.

"It gave me an understanding of horses," he said, "and I think you can often understand people when you understand horses. I learned patience, I learned that you can't be too hard on Incident: After a recent game that the Twins horses. I learned the saying in racing, 'If you

lame horse back."

"So I like to rest my players as often as I can. You want to keep them bealthy. And that's why I try to use the entire toster of players. And atutude is important with horses and players. I like to rest a player on an up-note. If he goes 0 for 4 and I rest him, he's bothered about his bad day. But if he goes 2 for 3, and 1 rest him, he's a

He also learned that preparation is crucial. "He knows bow our players are feeling because he makes it his business to, and be studies how they've done against the opposition," said Mike Pagliarulo, the third baseman. "Other managers do some of this, too, but few are on the field all the time before the game like he is, talking to the players, pitching batting practice."

He also understands motivation, but oot in a

corny way. "Much of this is dollars and cents," Kelly said of baseball. "This is a business for the players. And I let them know I know that. Take Scott Leius. He's been playing a lot of third base because Pagliarulo's been burt. And because he's been playing so much, his average has slipped, from about .300 to about .265. And know be's worried about this.

"I told him, "Scott, I want you to know we appreciate what you're doing, I know you oeed

"I learned the saying in racing, 'If you send out a good horse, you'll get a good borse back. Send out a lame borse.

and you'll get a

lame borse



a rest, but we need your glove at third base until Pags comes back. And at the end of the season, we'll be fair with you and Mr. MacPhail will take this into account."

Translated, that means that wheo contracttime arrives, the general manager, Andy McPhail, will oot stand on ceremony about a . drop in average because service to the club over all was more important.

He also understands that a manager may be compared to a jockey. "You have to make four or live major decisions a night, and a bunch of little decisions," be said, "but you don't win unless you have the horses."

So what was the difference between last place in 1990 and the championship in 1991? Might it have been those four or five major decisions a

night?
Kelly smiled. "Better pitching." he said.

Blauser's 3d Homer

## Germany and U.S. Advance Easily in Federation Cup

FRANKFURT — Top-seeded Germany, led by Wimbledon champion Steffi Graf, downed New Zealand, 3-0, and advanced Monday to the second round of the Federation Cup, the women's tennis equivalent of

the Davis Cup.

Gigi Fernandez and Lori McNeil posted straight-set victories to pace the United States to a 3-0 victory over Britain and a place in the second round, while in other first-round matches, Denmark edged Chile to earn a second-round meeting with the Americans, Japan beat Indonesia, the Netherlands beat Paraguay and Poland defeated Israel. (See Scoreboard) The organizers reshuffled the draw of the tournament after Natalia Zvereva of the Commonwealth of Independent States withdrew because

of illness. The CIS team had been seeded eighth, but that seeding was given to Japan because Zvereva's replacement, Evgenia Manyukova, is

### SIDELINES

#### **Bush Loses Magic Johnson's Vote**

NEW YORK (Reuters) - Basketball star Magic Johnson says he will be quitting the U.S. government's commission on AIDS, blaming President George Bush for not providing enough money to fight the disease.

Johnson, who revealed last November he was HIV-positive and retired from the Los Angeles Lakers, told Cable News Network in an interview late Sunday in Los Angeles that "I'm frustrated and I don't think I'll be on it too much longer," Without giving details, he said the commission wanted to accomplish more, "but we need funding and every time we ask for more funding we get turned down by the president."

Asked which presidential candidate he would endorse, Johnson replied that "it definitely won't be the president."

China Hiring CIS Soccer Players

- BELING (Renters) — China's first professional soccer team plans to beef up its squad by hiring six players from the Commonwealth of Independent States, the official China Sports Daily said Monday. The unidentified players, all members of senior teams in the former Soviet Union, will play for a team in Dalian, an industrial port city in the northeastern province of Liaoning.

The newspaper said the Dalian team, formed last month, will pay the foreign players about \$1,200 a month, a huge sum in a country where the average urban monthly salary is about \$28.

## IOC Sending Relief Aid to Sarajevo BRUSSELS (Reuters) — The International Olympic Committee said Monday it will send 64 tons of food and emergency aid to the benefits

Bosquan capital of Sarajevo, host city of the 1984 Winter Olympics. Tracks carrying the relief supplies will leave Antwerp on Tuesday, the IOC said in a statement made available by the Belgian Olympic Committee. In this way, the IOC wishes to show its solidarity with Sarajevo, host city of the XIV Olympie Winter Games," the statement said.

#### Crenshaw Fails to Make Open Field

GULLANE, Scotland (AP) - Ben Crenshaw failed Monday in his second attempt to qualify for this week's British Open, making him 0 for 2 this year in bids to win a spot in golf's major championships.

Ed Succe was disqualified from the qualifying at Dunbar when he failed to make his second round starting time and rookie left-hander Phil

Mickelson also failed to make the 156-man field after shooting 80-68 in qualifying.

Kurt Stillwell, the Padres' second baseman, and shortstop Tony Fernandez collided while chasing after Dave Hollins's single in the sixth inning of the game against the Phillies. Stillwell was taken to a hospital, with a rib injury, while Fernandez left the game in the eighth.

## Winning Royals Clutch at Second-Half Hopes

Thanks to clutch priching, the Kansas City Royals emerged from a rainy game in Milwaukee County Stadium with another victory and new hope entering the second balf

"We're not out of this thing yet, and hopefully, we'll never be," said Kevin Appier, who improved to 10with Sunday's 5-1 victory over the Milwaukee Brewers.

Kevin McReynolds drove in two runs and scored one for the Royals. By winning three of four games, they ended the first half of the season 37-50. That's 16 games behind AL West-leading Minnesota.

but it's not bad considering the Royals' 1-16 start this year. The Brewers, who had ended a road trip by winning five of six

break, their best first-half record But this series was marked by

missed chances, as the Royals pitchers stranded 37 runners. The Royals sent nine men to hat

#### AMERICAN LEAGUE

in the first inning, scoring four runs with the help of three walks and McReynolds's two-run single. Robin Yount's sacrifice fly in the first produced Milwaukee's only run. His 1,315th RBI broke a tie with Graig Nettles and Pete Rose

for 51st on the all-time list. games before the series with Kan-eighth gave Cleveland its victory in

Harrah his first defeat in four scored three runs for the A's. games as interim manager. Rafael Palmeiro was 5 for 5 with

four singles and a triple for Texas, his fourth five-hit game in the ma-■ In earlier games, reports on which appeared in some Monday edi-

tions of the International Herald Athletics 8, Blue Jays 0: Ron Darling pitched a a two-hitter and

Mark McGwire hit his major league-leading 28th home run as Oakland won in Toronto for its third straight victory.

The only hits off Darling were Indians 6, Rangers 3: Mark Candy Maldonado's single leading Whiten's three-run homer in the off the eighth and Manny Lee's single leading off the ninth.

Mike Bordick had four hits

Twins 9. Orioles 4: Pedro Munoz his a three-ruo homer in the first inning after a two-out intentional walk to Kent Hrbek. Brian Harper had two hits and two RBIs for Minnesota, which who took three of four from Baltimore and is 13-3 over its last 16 games.

Mariners 7, Yankees 6: Jay Buhner's three-run bomer in the seventh helped Seattle win in New

Angels 5, Tigers 4: Gary Gaetti's run-scoring single in the 10th gave California its victory in Detroit. The Angels won despite their pitchers giving up a club-record 13

## Beats Cubs in 10th As Braves Close Gap

The Atlanta Braves got a power boost from an unlikely source. Jeff Blauser, who entered the game with only 39 homers during six years in the major leagues, hit three Sunday and capped his day with a three-run shot in the 10th inning for a 7-4 victory over the

Cubs in Chicago.

"But the big thing is the fact that we swept the series and picked up some games in the standings," said

On Tuesday, the Braves were six games behind the Cincinnati Reds. Then came the four-game sweep of

even more surprising that the light-hitting infielder was batting .163 in his previous 23 games. He hit solo homers in the second

What made Blauser's homers

and sixth innings. Blauser is the second major lea-

guer to hit three homers in a game this season -- Juan Gonzalez of Texas did it against Minnesota on June 7 — and the first Brave to
accomplish the feat since Jeff
Treadway against Philadelphia on
Bagwell's sacrifice fly, and Butch
Henry pitched seven strong innings
against visiting New York. May 26, 1990.

Terry Pendleton and Dave Justice opened the 10th with singles off Paul Assenmacher, who retired pinch-hitter Ron Gant and Damon

Berryhill before facing Blauser. Pirates 7, Reds 6: Barry Bonds tied the score with a two-out, threerun triple in the ninth, and Gary Redus hit a two-run homer in the 10th as Pittsburgh rallied to take the last three games of the series in

Cincinnati. Bonds's bases-loaded triple off Norm Charlton, the Reds' All-Star closer, tied it at 5. Redus, who started the ninth-inning rally with a

single, provided the winning runs with his first bomer of the year, a two-out shot off Tim Belcher. Dodgers 9, Cardinals 0: Mitch Webster, replacing Darryl Strawber-ry, drove in three runs in Los Ange-

les against St. Louis and Kevin Gross pitched his second shutout. Giants 4, Expos 0: Chris James

homered and doubled for host San-Francisco, which has won seven of its last nine, to pull within one victory of the .500 mark. Billy Swift; scattered seven hits over seven in-

nings and won for the first time since May 7. Padres 8, Phillies 2: Gary Shef, field primed for his first All-Star Game with three hits, including his,

#### NATIONAL LEAGUE 18th homer, and Jerald Clark also

homered in San Diego as Philadel- . phia lost its eighth straight. Sheffield hit a two-run shot in

Chicago, and the Braves are only the first inning, tying him with teammate Fred McGriff for the National League lead, Sheffield also doubled, singled and scored? three runs. In an earlier game, a report on

which appeared in some Monday edi-tions of the International Herald.

Astros 3, Mets 1: Hot-hitting Ken Caminiti tripled in a run in the first inning, then scored on Jeff

#### Vincent: Now Attack By the Phantom Fax

New York Times Service NEW YORK - Add the case of the clusive fax to Fay Vincent's portfolio of problems.

A group of owners has been circulating a fax that asks colleagues to sign a letter intended to induce Vincent to resign as commissioner of major league baseball, according to several other owners and Vin-

cent himself. "I told them if they came to me with 25 signatures I wouldn't quit. Vincent said by telephone from San Diego, where the All-Star Game will be played Tuesday night.

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## SCOREBOARD

#### RASEBALL For the Record

David Peoples bogeyed three of his last five holes Sunday but won the Anheuser-Busch Golf Classic in Williamsburg, Virginia, when Ed Dougherty missed a 5-foot birdie putt on the final hole. (AP) Mitoizumi regained sole posses-sion of the lead on the ninth day of

the 15-day Nagoya Grand Sumo Tournament by defeating co-leader Musashimaru while the second Hawaiian co-leader, Konishiki, lost to (UPI) Deion Sanders can play football on Sundays for the NFL Atlanta Falcons, as long as be plays base-

ball during the week, the Atlanta

#### **Uuotable**

pro after playing golf with Michael lordan: "I'll be playing center for the Buills before he's on the tour."

Major League Standings

47 38 45 41 42 45 4) 48 34 52 57 34 48 42 48 43 57 59 36 53 36 52 NATIONAL LEAGUE Braves said. The two-sport star's on agents said negotiations were constinuing with both teams. (AP)

Medices New York

Sunday's Line Scores AMERICAN LEAGUE

Banks, Edons (3), Guthrie (7) and Harser; Misocki, Freheirth (3), Mills (7), Flonosan (8) and Teckelf, W—Edons, 50, L—Milachi, 5-7, HRs—Minnesate, Munoz (18), Boltimore.

California 11e et2 see 1-5 11 1
Detroit 20e 10e 10e 5-4 7 2
(16 lackess)
Finley, Sichborn (7), Frey (9) and Fitzeeraid, Tingley (9); Rifz, Doherty (6), Munoz (8). Knudsen (8), Henneman (10) and Kreuter.W non. 0-5. HRs-Callfor Seattle Haw York

Henry (9) and Surhoff, W-Ansier, 10-3, L-Ruffin, 1-3, Sv-Boddicker (3).
Cleveland 006 206 139-6 72 1
Texas 001 818 180-3 11 6
Cook, Olin (7), Plunk (9) and Alarmar;
BUTTS, Ropers (7), Mathews 18) and Radrisuez, W-Olfin, 3-3, L-Ropers, 1-4, Sv-Plunk
121, HRS-Cleveland, Bella (19), Whiten (7).
NATIONAL LEAGUE

MEN York Hoeston 216 880 085-3 5 8
Fernandez, Innis (7), Guetterman (8),
Young (8) and O'Brien: Henry, Osuna (8),
Hernandez (9) and Servois We-Henry, 3-6.
Lefernandez, 7-L Swe-Hernandez (4), HR—
New York, Murray (9),
Pitisburgh 800 820 885 8-7

Robinson, Glection (4), Moson (5), Neagele (4), Porterson (9), Selfinda (10) and Lavatiliere, Slought (8); Ritle, Bank head (6), Choritan (8), Chunichi Beicher (10) and Oliver, W-Parterson, 5-1.

L—Betcher, 8-7. Sy—Beilhade (13), HRS—Pits-burch, Redus (11. Cincinnoti, Martinez (1).

Son Francisca 83, 896 896—9 7 1 Son Francisca 83, 896 896—1 2 1 Condider, Bornes (7) and Fielcher; Swift, Beck (8) and Manworting, W—Swill, 7-1, L—Gardner, B-7. HR—Son Francisca, James (3), Kinfelsy Nispon Hom Chicago 190 82 199 8—1 14 3 Eleiccki, Freeman (3), Bernapur (5), Standard Orlk

Assenmacher (9) and Wilkins, W—Mercker, 3-0. L—Assenmacher, 2-2 Sv—Pena (7t, HRs— Allanta, Blauser 3 (7), Chloaga, Wilkins (2t, St, Leuts, S Osborno, DeLeon 121, Perez (5), Olivares (7), McClure (8) and Pagnazzi, Gedman (8), Ke.Grass and Hernandez, W.—Ke.Grass, 5-9

Japanese Baseball

Tour de France

Too finishers to the 9th stoge, a 45-kilometer (41-mile) ladvidual time triot around Lexembours: 1. Adjust 1 induratin, Spoth, Bonesto, 1 hour 19 minutes 31 seconds; 2. Armand de las Cuévos, France, Banesto, 3 minutes behind; 3. Glanni Bugna, Italv. Gatorode, 3:41 behind; 4. Zmus Jaskuta, Potand, GB-MG, 3:47; 5. Greg Leffond, U.S., Z. 4:04; 6. Poscol Lina, France, RMD, 4:06; 7. Seepher Rache, Ireland, Carrera, 4:18; 8. Arburas Kospulis, Lithanda, Ryalcad, 4:28; 9. Alex Zuelle, Switzerland, ONCE, 4:29; 10. Pedro Delsodo, Sooin, Bonesto, 4:52. Overall Standings (ofter nine stopesi): ). Lina, RMO, 36:39:33; 2. Induratin, 1:75 behind; 2. Jesper Skibby, Denmark, TVM, 3:47; 4. 2. Jesper Skibby, Denmark, TVM, 3:47: 4, Roche, 4:15; 5, LoMand, 4:27: 6, Bosno, 4:39: 7, Jens Heppner, Germany, Telekom, 4:52: 8, Claudio Chiappucci, Ibaly, Carrerta, 4:54: 9,

Sunday Pakistan: 235 1523 aversi

Jers Heppner, Germany, Telekom, 4:52; R Claudio Chiappucci, Ibaly, Carrera, 4:54; 9. Yvan Ledanois, France, Castorama, 5:52; 10. Alberto Leanizbarrulla, Spain, CLAS, 4:15. ONE-DAY INTERNATIONALS

FEDERATION CUP

Its Frankhirt
First Round
Germany det. New Zealgost, 3-8: Anke
Huber def. Hona Adomkovo-Guy, 6-), 6-0.
Steffi Grat def. Claudine Toleotos, 6-2. 6-1;
Barbarns Rither and Sobine Hock def. Julio
Richardson and Amenda Trail, 5-7. 6-2. 6-2. United States def. Britain, 3-8: Gigi Fernandez det. Monique Javer, 6-4, 6-1; Lori McNell det. Jo Durie, 7-5, 6-3; Pam Shriver and Debble Graham det. Durie and Clare Wood, 6-4, 7-6 (8-6).

Japan det. (ndosesko, 2-1: Mano Endo det. Romana Tediakusuma, 4-2, 7-6 (8-6): Kimiko Date det. Yavuk Basuki, 7-6 (7-2): 5-7, 6-3; Basuki and Suzanna Wibowo det. Enda and Kidowoki. 6-1, 6-1. Denmark def. Chite, 2-1: Karin Ptosek, Den-trark, def. Pauline Sepulveda, 6-1, 6-0; Paulio Cabezos, Chite, def. Soffe Abinus, 6-3, 6-4, 6-0; Ptosek and Kitar Nolsen def. Cabezos and Macarena Miranda, 6-3, 6-2,

Netherlands def. Parageay, 2-1: Lariso Schoerer, Paraguay, def. Micole Muns-Japer-trant, 1-6, 6-4, 6-2; Manon Bellegraf, Nether-lands, def. Rosanna de los Rios, 6-2,6-2; Nicole vuns-Joserman and Bollegraf def. Larisa Schoerer and Rosanna de los Ries, 6-), 7-5

Poland def. Israel, 3-8: Mondalena Mraz def. Yael Segal, 4-6. 6-0. 6-2; Katarzyna Navak def. Anna Smashnova, 6-2, 6-7 (7-9(, 6-1; Mraz and Katarzyna Teodorovicz det. Smashana and SWISS OPEN

Bryon Shelton 14), U.S., def. Alax Austria 64, 64

HALL OF FAME CHAMPIONSHIPS

Americas Leogue

DETROIT—Activated Rab Deer, outfletaer, from disabled isl. Optioned Phil Clark,
outfletder, to Trieda, international Leogue,
TOPRONTO—Optioned Bob AncDonala,
pilcher, in Syrocuse, IL. Notional League

CHICAGO—Activated Ken Patterson,
Pitcher, from disabled list. Put Dennis Rasmussen, Pitcher, on 15-day disabled list, retro-

mussen, bitcher, on 15-day disabled list, retro-active to June 28.

PHILADELPHIA—Optioned Par Combe, pitcher, to Scranton Wilkes-Borre, IL.

5T. LOUIS—Oblined Brian Jordan, out-fielder, to Louisville, American Association-SAN OIEGO—Activated Benita Sontiage, catcher, from disabled list, Tu Oann Bilar-dello, catcher, on 15-day disabled list.

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/s of the

freedom

from here to

California, and

not one word

has been unered

"Why," some may ask, "has

Desert Storm

become a higger

secret in Wash-

ington than

Deep Throat?"

than met the eye.

old oak trees.

The answer is Buchwald

that while it was the greatest show

we've had on television in ages, there was more to the Gulf War

Capablanca was assigned eight months ago to put together an en-

tire "Desert Storm Bush" cam-

paign. He was told to spend all the

money he wanted as long as he

showed yellow ribbons hanging on

But although he is ready he just

can't get the "go" sign from the White House and is starting to sus-

pect that he never will. He told me,

bothered to knock off Saddam

Hussein, he's telling everyone that

Lincoln Castings

**Back in Museum** 

→ HICAGO — Missing bronze

castings of Abraham Lin-

coln's bead and hands were back

Monday at the museum from

which they had been stolen but

police said they had no suspects in

the theft. The curator Carol Calla-

han found the castings in a plastic

bag at a side entrance to the

The castings disappeared Thurs-

day or Friday from a desk in the

museum library where they were

in 1860, the year Lincoln was elect-

Glessner House Museum.

The hitch is that since no one

about the war.

ton predicted that Desert Storm

would he the centerpiece of the

Bush political campaign. The presi-

dent could not miss with all the

film of our hoys striking a blow for

You can read George Bush's lips

wonde guel In-Monda booth o ing jers Abso day's lo ished

ing ride Unti some d commi tory in race. N Ridi Indura placed vas of was a Indu Claudi major

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ished o French rode a and fi symbo Ove Indusa with 7 LeMo: oppon time to by justing the Tour. Ver oppon Exc the re

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**Bush's Desert Secret** WASHINGTON — Last year we gave him agricultural grants that he managed to turn into weap-

ART BUCHWALD

ons to invade Kuwait. This makes George Bush look bad.' "I should think so. Didn't the president know that Saddam Hussein would attack Kuwait"

"No. Mr. Bush thought that Iran was going to attack Kuwait. "Why did he think that?"

"Because the White House always gets Iran and Iraq mixed up. They both start with an 'I."

"Even if Saddam got the weapons from us to fight, he didn't do very well in the field," I said.

"No, but he is still getting away with murder by building atomic weapons and germ warfare projec-tiles. If we bring up Desert Storm, some wise guy Democrat or Perot sycophant is going to ask where the supplies came from for Saddam to try to go for the hig one."
"From the U.S.," I volunteered.

"Yeah, but just because we gave forhidden material to him doesn't mean we considered him a friend. In any case, the Republican big shots think that if we mention Desert Storm, somebody is going to say. Has Kuwait changed from the way it was before we helped

"It's ruled by a royal family. How can it change?" I asked. "The president promised the American people that our boys were over there to fight for freedom and to liherate the Kuwaiti people

from the yoke of totalitarianism. I don't believe that," I said. "We have it on tape but we're not going to put it in a TV spot because there are independents who will say. 'What the heck is he talking about?' "

"Why don't we ask for a filmed statement from Saddam denying that American money was used to

equip his army?"
"He won't do it. He says that he never interferes in the internal affairs of another country. The truth is that Desert Storm is a dead issue politically, and the whole exercise is one that we can't cash in on, particularly if Congress appoints a special prosecutor before the elec-

"It's a pity," I said, "since it was Bush's finest hour."

About 30 life masks were made "You better believe it. If you had ed the nation's 16th president, Just 17 are in existence, Callahan said. had your pick of Iran or Iraq, you would have done the same thing."

## Saint-Exupéry Mystery: One More Look

By Sharon Waxman

TO ARIS - It was almost as if he fell off I the Earth, just like his Little Prince fell

In July 1944, one of France's most beleved writers climbed into the cockpit of a 14-meter (45-foot) P38 Lightning and disappeared without calling for help and Antoine de Saint-Exupéry, author of

"The Little Prince" and a dozen other works, painter, pilot, adventurer and tenacious believer, despite all evidence to the contrary, in the goodness of man, has been mourned in absent a for nearly 50 years by all those who loved his sensitive, towhaired hero from Asteroid B-612. Now a group of investigators believes it

may be close to finding him. Unlikely as it may seem, a French champagne company, Louis Roederer, has mounted and financed "On the Tracks of Saint-Exupéry." a project that aims to locate the author's plane and his remains, which are probably on the bottom of the Mediterranean. In October, a mini-submarine with a

crew of three will scour the area between Corsica and the Riviera to look for them. 'I had been desperately seeking a communications idea that was rare, innovative and in line with the values of my compasaid Jean-Claude Rouzaud, manag ing director of Louis Roederer. "I was immediately seduced and captivated" by the idea of finding the missing author, he dded. It came, unromantically enough,

from a public relations consultant. Rouzaud won't say how much the project will cost - though an aide says it's in the hundreds of thousands of dollars and admits that it's an exercise in highclass advertising, but that has not stopped a dozen historians, World War II veterans and Saint-Exupery's family and friends from enthusiastically signing on.

The military historian Daniel Decot came upon the mystery of Saint-Exupery when researching a book on the French Air Force during World War II; the pilot's commander, a General Gavoille, gave him documents about the disappearance. Decot says the most likely explanation is that Saiot-Exupéry, reconnoitering over German-occupied southern France, was shot down by a German plane. But no record

"There was no report of a [German] mission, no claiming the victory of a downed plane," said Decot. "But many German pilots in the Rhone Valley burned their archives after the arrival of the Allies. If he was downed, it was probably because he was flying at a low alutude where his ne couldn't perform."

aint-Exupery was already a successful author by the time the war started, and the

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The pilot and author of "The Little Prince" disappeared without a trace on a wartime mission on July 31, 1944.

turmoil seemed only to spur his productivity. In 1939, he published "Flight to Arras," a best-selling book about his experiences as a pilot. He toured the United States the next year in an attempt to convince America to enter the war.

The author wrote nonfiction about his life, and fiction about his dreams. His observations of simple, indelible truths in "The Little Prince," published in 1943. delighted readers around the world. He

"If I have told you these details about the asteroid, and made a note of its number for you, it is on account of the grownups and their ways. Grown-ups love figures. When you jell them that you have made a new friend, they never ask you any questions about essential matters. They never say to you, "What does his voice sound like? What games does he love best? Does be collect butterflies? Instead, they demand: "How old is he? How many brothers has he? How much does he weigh? How much money does his father make? Only from these figures do they

think they have learned anything about him. . . . They are like that. One must not hold it against them. Children should always show great forbearance toward grown-up people

An anstocrat who had already flown for

a private company between Toulouse and Casablanca, Saint-Exupery insisted on a combat assignment in joining the Allied A friend and fellow pilot, Jean Israel. 78, recalled: "He said, 'I'm not a pot of

jam to be left on the shell and eaten after the war. He could have gone to do propa-ganda, but he did everything he could to v combat missions. Israel last saw Saint-Exupery in 1940,

just before he himself was shot down and spent five years as a prisoner of war. On July 31, 1944, Saint-Exupery took off from Bastia, Corsica flying toward Grenoble and Annecy. He was supposed to return by I P. M.; hy 2:30 his base assumed the worst - he would have al-

ready run out of fuel. Saint-Exupery was

A handful of full-time researchers has been working for the past year, culling documents and verifying eyewitness reports on the disappearance. There is one wimess, for example, a man who was 17 in 1944 and lived near Antibes on the Riviera. On the day of the disappearance, he marked in his diary that he saw a low-

This is far from good enough for Jean Roux, of the French Institute for Research and Sea Exploration, which will direct the mini-submarine Nantile, which was also used to find the Titanic. "We have already learned a lot of things, but unless we find the German pilot who shot him down, there is no certainty."

Rouzaud appealed to any American veterans who might have monitored Saint-Exampery's plane by radar to come forward. "Most people of my generation knew Saint-Exupery from reading "The Little Prince' when they were 13 or 14," he said. rediscover him." he said.

#### **PEOPLE**

Animal-Loving Prince Kills 'Bear-Hunting' Ad

An Amsterdam ad agency has withdrawn a Mazda advertisement after the Dutch government.complained that it portrayed Prince Bernhard, an animal protection activist, as a bear hunter. The ad, by the PMS agency, shows the prince toting a rifle in a photo set above a special edition of the Mazda 121, which comes with teddy bear figures on the hubcaps and floor mais.

Johnny Carson is coming out of retirement, just seven weeks after ending his 30-year run as host of "The Tonight Show." Warren Linlefield, president of NBC Enter-pr tainment, said Carson would star in or develop original programs for the network. Financial terms of the muluyear deal were not disclosed The announcement followed ru-mors that a disillusioned Carson was talking to CBS.

Sylvester Stallone, in London to promote the opening in December of a branch of his New York restaurant Planet Hollywood, deflected rumors that he and the Duchess of York, the former Sarah Ferguson, are now an item. "People's imaginations tend to get a little vivid," said Stallone. "I like: her too much to go out with her. She doesn't deserve that." The duchess is separated from Prince

Annie Murphy, the American whose revelation that Bishop Exmonn Casey fathered her son, Peter, forced the bishop to resign in May, has returned to Ireland to write a book about her experiences." her co-author Peter de Rosa says. Meanwhile, Murphy's companion of the last II years, Arthur Pennell, said they had split because of strains from the affair. "It's too much for me. I can't accept all

this," he said from his home in

Connecticut. Prince Naruhito, 32, the heir to Japan's Chrysanthemum throne, is still looking for a bride and has asked the news media to continue to keep mum about his progress. Almost all Japanese media havds agreed since February not to report on his love life. "I hope the press will cooperate for a few months," the prince said, "I want to place more importance on courtship."

## Today's

## **EDUCATION**

Appears on Page 8

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